



Daily Report

East Europe

FBIS-EEU-90-245
Thursday
20 December 1990

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NOTICE TO READERS: As of 2 January 1991, television sourcelines in the DAILY REPORT will reflect how a station identifies itself. In most cases, this change eliminates the "Television Service" designation in favor of the station identification as broadcast. The presence of a new television sourceline reflects this change in policy, rather than the establishment of a new station or network.

NOTICE TO READERS: * indicates material not disseminated in electronic form.

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Czech Official Views Pact, NATO Issues

*LD0612193790 Prague Domestic Service in Czech
1730 GMT 6 Dec 90*

[Text] Today's plenary session of the Vienna disarmament talks of the 22 countries of the Warsaw Pact and NATO was addressed by (Miroslav Polrajt), head of the Czechoslovak delegation. Speaking about the changed role of the Warsaw Pact, he noted that in the past the pact had been an instrument of hegemony but currently it is undergoing a fundamental transformation.

Czechoslovakia, as a member of the community of European nations with equal rights, nowadays has an opportunity to lead policy corresponding to its own national interests. (Miroslav Polrajt) went on to say that NATO had played a role as a stabilizing factor during the period when the Warsaw Pact was an instrument of superpower policy. However, NATO no longer faces an opponent in the form of Stalinist Russia. That is why in the Czechoslovak representative's view the regional argument in favor of keeping NATO in existence in its present form has disappeared.

CSFR, Romania To Allow Use of Airspace in Gulf War
LD1912164990 Budapest Domestic Service
in Hungarian 0600 GMT 19 Dec 90

[Text] According to an unconfirmed report in this morning's PESTI HIRLAP, in the case of a Gulf war breaking out, Czechoslovakia and Romania would allow international forces to pass through their airspace on the way to the region.

Parliamentary Representatives on NATO Relations

AU0612123990 Budapest NEPSZABADSAG
in Hungarian 3 Dec 90 p 3

[Interview with Laszlo Kovacs, member of the Hungarian Socialist Party, by Andras Desi; place and date not given: "The Leaders of the NATO Parliament Are Expecting an Invitation to Budapest—Alajos Dornbach and Laszlo Kovacs on Hungary's Associate Member Status"—first three paragraphs are NEPSZABADSAG introduction]

[Text] "At the 36th meeting of the North Atlantic Assembly in London, Hungary was granted associate member status," Alajos Dornbach, deputy speaker of the Hungarian Parliament, and leader of the Hungarian delegation in London, told NEPSZABADSAG.

The North Atlantic Assembly is made up of parliamentary representatives from the 16 NATO member states. According to the new decision made in London, Hungary, Bulgaria, Czechoslovakia, Poland, and the Soviet Union will be able to take part in Assembly meetings as of now; they will be able to submit proposals, but they will not have the right to vote. According to Alajos Dornbach, who is a representative of the Alliance of Free Democrats, the associate member status of Hungary has once again brought our country one step further on the road to European integration.

At the meeting, great attention was given to European security, and to our future prospects. The delegates unanimously agreed that the security of our continent rests on the Helsinki agreements, on NATO, and on the North Atlantic Assembly. The dangers threatening Europe were also mentioned. The economic collapse of Eastern and Central Europe—and particularly of the Soviet Union—could constitute a peril that would have unforeseeable consequences for all of Europe. Ethnic and national minority tensions in Eastern and Central Europe are a potential source of danger, as is the enormous emigration wave induced by economic problems and ethnic conflicts. The number of refugees could even total a million, and Hungary could become a final destination country, rather than a transit country. According to Alajos Dornbach, the pan-European settlement of the refugee question is also of paramount importance to Hungary. We interviewed Laszlo Kovacs, member of the Hungarian delegation in London, on these issues.

[Desi] When were relations between Hungary and the North Atlantic Assembly initiated?

[Kovacs] The leaders of the Hungarian Parliament and of the NATO Parliament began corresponding in 1986, and until November 1989 Hungary was the only Warsaw Pact country to maintain proper official relations with the North Atlantic Assembly.

[Desi] Following these preliminary procedures, was there complete unanimity about granting associate member status to Hungary, as well as to the other four previous Warsaw Pact member states?

[Kovacs] The decision was gradually reached during the meeting. The first proposal only foresaw our right of participation, and it was the plenary session that accepted this final formulation. Basing itself on the dangers inherent in the economic and social problems of the Warsaw Pact states, the new North Atlantic Assembly decision calls upon NATO governments to encourage Warsaw Pact member states to develop their relations with NATO; it also asks NATO governments to assist the reform process taking place in Eastern and Central Europe. A separate Assembly decision deals with the financial assistance that could be offered to our region, for example, in the form of favorable credits, or a further shortening of the COCOM list.

[Desi] For the near future, what can we hope for in our relations with the North Atlantic Assembly?

[Kovacs] Next year, our parliamentary delegates are to discuss military budgets in Brussels. The leaders of the Assembly signalled that they would also welcome an invitation to Budapest. Within the framework of a Budapest meeting, the delegates would discuss the legislative measures that have to be taken as a consequence of the CSCE agreements reached in Vienna. It was also mentioned that Hungary could perhaps host one of the North Atlantic Assembly meetings in 1992.

Vranitzky, Jecsenszky Comment on Pentagonal Issues

LD1412175390 Belgrade TANJUG in English
1315 GMT 14 Dec 90

[Text] Belgrade, 14 Dec (TANJUG)—Austrian Chancellor Franz Vranitzky said the current process of democratization in Yugoslavia would increase possibilities for the two countries' cooperation at the national and regional level, within the Pentagonal Group.

In an interview published by the Belgrade fortnightly REVIEW of INTERNATIONAL AFFAIRS TODAY, Vranitzky said cooperation within the Pentagonal—whose members are Austria, Czechoslovakia, Hungary, Italy and Yugoslavia—should contribute to strengthening the partnership based on parliamentary democracy and human rights.

According to Vranitzky, the second most important goal of Pentagonal cooperation should be the strengthening of

democratic institutions and economic recovery and development of the group's members.

Austria has always supported Yugoslavia's efforts to establish closer ties with European organizations, he noted.

Hungarian Foreign Minister Geza Jeszenszky said in a statement published by the same magazine that Hungary expected "the results achieved within the Pentagonal to facilitate its opening towards Europe and entry into the EC as a full member."

Hungary is making every effort to support the cultural and political activities of its Serbs, Croats and Slovenes, said Jeszenszky.

In his opinion, Hungary's leaving the Warsaw Treaty Organization will create new possibilities for cooperation with Yugoslavia in the field of security.

Pentagonal Group Meets on Minorities' Status

*LD1212052790 Belgrade TANJUG in English
0203 GMT 12 Dec 90*

[Text] Budapest, December (TANJUG) [dateline as received]—The respect of the individual and collective rights of the minorities is a crucial prerequisite for a future democratic system in Europe, assessed participants in the round table talks on minorities in the member-countries of the regional group known as the pentagonal at the end of their two-day meeting on Tuesday.

Representatives of the media and foreign ministries of Italy, Yugoslavia, Austria, the Czech and Slovak Republics, and Hungary participated in the debate.

The question of the status of a minority cannot be viewed as exclusively an internal political affair of a country, nor even as a bilateral question, but only as one of the entire international community.

Answering the question of why the minorities in Hungary still do not have their representatives in the country's new parliament, Hungarian representatives said that this problem was highly complex as no territorial homogeneity exists in this respect and a territorial principle cannot be applied.

A solution is therefore looked for along the line of representatives for the minorities in parliament, they said.

Free Trade Union Group To Aid Region

*OW0712193390 Tokyo KYODO in English 1514 GMT
7 Dec 90*

[Text] Tokyo, Dec. 7 KYODO—The 99-million-strong International Free Trade Union Organization said Friday that it will step up economic and financial assistance to labor unions in Central and Eastern Europe.

John Vanderveken, secretary general of the International Confederation of Free Trade Unions (ICFTU), said his organization will grant technical advice to unions in Poland, Czechoslovakia, Romania, Hungary and Bulgaria.

Vanderveken, speaking at a press conference at the end of a three-day ICFTU Executive Committee meeting, said his organization will help Central and East European unions cope with market-oriented economies.

The executive committee issued a statement on economic aid to Eastern Europe, saying, "The ICFTU will seek early meetings with governments of the industrialized democracies of the Group of 24, and Central and East European countries."

The G-24 comprises major economic powers and represents a forum on extension of economic aid to Central and East European countries.

The statement called on Central and East European countries to foster healthy industrial relations and a system of collective bargaining between labor and management, which it said are essential to the functioning of market economies and democratic societies.

Vanderveken, a Belgian unionist, touched on the Persian Gulf crisis and urged the United States and Iraq to resolve the crisis peacefully in line with the United Nations Charter. He noted that the ICFTU has condemned Iraq for occupying Kuwait since Iraqi troops invaded the oil-rich emirate on August 2.

The executive meeting, which was held for the first time in the Asia-Pacific Region, also discussed ways of helping workers in Hong Kong, which will be returned to China by Britain in 1997, he said.

Democratic Party Officials Hold News Conference*AU1912195790 Tirana Domestic Service
in Albanian 1900 GMT 19 Dec 90*

[Text] The Initiating Committee for the formation of the Democratic Party organized a news conference today in the cinema of the student center, which was attended by journalists, intellectuals, students, and others. The committee's spokesman answered questions on the organization of the new party's press, its aims, and so forth. At the news conference, intellectuals, students, and such initiators of this party as Sali Berisha, Gramoz Pashko, Azem Hajdari, and party sympathizers talked about the cause of democracy and its traditions and prospects in Albania. They meanwhile announced at the news conference that their party has been legalized.

Justice Minister Registers Democratic Party*AU1912223490 Tirana Domestic Service
in Albanian 2100 GMT 19 Dec 90*

[Text] Justice Minister Enver Halili summoned representatives of the organizing group of the Democratic Party to the Ministry of Justice this afternoon, in connection with their application for the approval of the Democratic Party in accordance with Decree No. 7,442 of the Presidium of the People's Assembly, dated 17 December 1990. After acquainting himself with the party's program and other documents, which are in agreement with the Constitution of the People's Socialist Republic of Albania and the decrees of the Presidium of the People's Assembly, he communicated his instruction for the approval of the demand for the creation of the Democratic Party, its registration in the relevant register, and the deposition of its documents in this ministry's archives.

A copy of this instruction, which comes into effect immediately, was sent to the organizing group for the formation of the Democratic Party.

Democratic Party Condemns 'Destructive Forces'*AU1912213390 Tirana ZERI I POPULLIT
in Albanian 14 Dec 90 p 1*

[Unattributed report: "Declaration of the Initiating Committee for the Creation of the Albanian Democratic Party"]

[Text] In the name of the initiators of the Democratic Party and the democratic movement which demonstrated its will at the rally in Tirana the day before yesterday, we express our deep concern and indignation at the very bitter news we learned from the television about the serious acts in violation of legality committed by destructive forces in Kavaje and Shkoder.

Such acts not only have nothing in common with the democracy we want to build all together, but compromise and undermine it. Our movement, which is proceeding in a peaceful way toward the legalization of the

Democratic Party on the basis of the law, resolutely opposes any act of this nature and calls on the entire people to retain their traditional calm, cool-headedness, and wisdom, showing ourselves to be the civilized nation that we are.

The people themselves, intellectuals, school students, and young people, should put in his place anybody who assumes the role of a provocateur or who seeks to create a distorted picture of democracy. Democracy implies order, calm, culture, understanding, labor, love for each other, and respect for public order. Let us remember the words of Comrade Ramiz Alia, president of the Presidium of the People's Assembly, in his message yesterday: "If we demand democracy by breaking the law, we will never achieve it."

Political pluralism, this great victory of our people, is taking its first steps. It must not in any way serve to create divisions among the people. Democracy must develop and progress by democratic means, through the dialogue and mutual tolerance which must lead to real progress and national unity.

Democratic Party Leader Views Future Plans*AU1912124490 Zagreb VJESNIK in Serbo-Croatian
17 Dec 90 p 4*

[Report on interview with Democratic Party leader Gramoz Pashka by Fahri Musliu; place and date not given: "Why Should One Be Afraid"]

[Text] Pristina—There is a lack of direct on-the-spot reports from Albania because there was not a single foreign journalist there during the unrest. We, therefore, telephoned a young Albanian intellectual Gramoz Pashka, lecturer at the Faculty of Economics in Tirana, who is a supporter of pluralism and a market economy and a member of a working group for the founding of the Democratic Party, the first independent political party in Albania since the war. Answering our question on whether he would make statement for the public and whether he was afraid of consequences, Gramoz laughingly said: "With pleasure! Why should I be afraid. I will answer all your questions.... You must understand, I am overwhelmed. I have never felt better in my life."

We Are Preparing for Elections

[Musliu] What is the political situation like in Albania after the student protests?

[Pashka] The political situation is favorable. There is a good atmosphere and the conditions have been created for a democratic dialogue aimed at finding ways for a faster democratization of the country—that is, setting up a multiparty political system in Albania.

There were 100,000 people at the solidarity meeting on the campus in Tirana: students, secondary school pupils, intellectuals, workers, and other citizens, not only from Tirana but also from other towns. The meeting was a

gesture of solidarity with students' demands, but support to Ramiz Alia was also expressed. People were pleased with the conclusions of the extraordinary plenum of the Central Committee of the Albanian Workers' Party allowing the founding of political organizations of students, intellectuals, and other independent political parties. This marks the birth of the multiparty system in our country, or as you say, political pluralism. This is the most specific step toward a faster democratization of the country.

[Musliu] We have been informed that the Democratic Party has been founded and that you are its leader.

[Pashka] We decided to found the Democratic Party of Albania. For this reason we established a working group which was put in charge of preparing in the shortest possible time the statute, program, and the form of the party organization. These documents will be forwarded to the Ministry for Justice which will register the party. This is the first independent political party that will take part in the next elections. Neither I nor anyone else holds a specific post, but we are preparing the documents as a group. One must point out that the group consists of the most prominent Albanian intellectuals among whom is the famous cardiologist Sali Berisha.

[Musliu] Professor, there is some speculation about the protest meetings. Can you tell us when they happened, how big they were, and what the students are demanding?

[Pashka] The protests first broke out on the campus in Tirana, and the demands were mainly of the economic nature. This means that the students demanded improvements in the living conditions. There were also some political demands. This was followed by the police intervention. The police intervention caused nervousness but the students remained cool and did not allow bloodshed. On this occasion one female student was seriously hurt but is now successfully recovering in a hospital. A number of students were slightly injured.

Kadare Has Great Influence

[Musliu] According to the news in Yugoslavia, one female student was killed.

[Pashka] This information is not correct. I responsibly claim, since I am well informed, that no student was killed, nor that a large number of people was seriously injured. What I have just said is the truth.

More intensive and larger protests continued on Sunday. They occurred in almost all faculties, colleges, academies, and institutes in Tirana and other places in Albania which have such educational centers. During these protests, in addition to the demands for surmounting economic difficulties and a faster democratization of the country, the students also expressed demands for the founding of political organizations of students and intellectuals. They demanded negotiations with the highest state and party leaders. During the talks

that the students had continuously been conducting with the president, Ramiz Alia fully supported students' demands and asked them to act with dignity because all demands would be solved within the framework of the system's institutions. I must stress that students are regularly attending their lectures.

[Musliu] Could you finally tell us how much influence the departure of Ismail Kadare from Albania had on the speeding up of democratic processes?

[Pashka] No direct influence, but it certainly had indirect influence. Kadare is very prominent and popular person among Albanian people. His every word, thought, and step carry a special weight for us Albanians.

Democratic Party Leader Pashka Views Goals

*AU1912164090 Paris AFP in English 1625 GMT
19 Dec 90*

[Nicolas Miletitch report; place and date not given]

[Text] Tirana, Dec 19 (AFP) —Albania's fledgling opposition movement, the Democratic Party, wants the immediate release of all political prisoners and introduction of a market economy, one of its leaders said Wednesday [19 December]. Albania should also seek emergency aid, as the Soviet Union has done, because of the "terrible economic situation" prevailing in Eastern Europe's last hard-line Stalinist state, Gramoz Pashko told Agence France-Presse in an interview.

Mr. Pashko, 35, an economist and university professor, said Albania needed radical reforms, including total privatisation of the economy, to speed its integration into modern Europe. "Albania must not remain a Socialist state," he said. But although he openly called the government a "communist dictatorship," Mr. Pashko, the son of a former government minister and Communist Party central committee member, praised Albanian leader Ramiz Alia for having "avoided imposing martial law" and having "agreed to open talks with the opposition."

The Democratic Party became Albania's first opposition movement when it was set up in Tirana on December 12.

Another party official, cardiologist Sali Berisha, hailed the communist president's "realism," but expressed concern over a possible violent backlash from conservatives. "The adversaries of democratisation are very strong and ready to do anything to suffocate the movement. They want to counter-attack and we can't rule anything out. But even a bloodbath couldn't stop the process that is underway," said Dr. Berisha, 40. His fears echoed rumours circulating in the capital for the past two days that say conservatives may stage a coup to strangle the reform process begun by Mr. Alia.

Western observers believe the old guard is ranged behind Nexhmije Hoxha, widow of Enver Hoxha, the increasingly criticised founder of Socialist Albania. "After 46

years of communist dictatorship, we need a legal opposition movement that can tell the truth," Mr. Pashko said. "Our party won't be like Ion Iliescu's in Romania," he added, referring to the Romanian president whose ruling party is made up of former communists.

Mr. Pashko said that the Democrats planned to call for legalisation of their party and for legislative elections scheduled for February to be delayed "so we can prepare an election campaign more or less equal" to the communist party's. A new law making it legal to set up political "parties and associations" was published in Wednesday's edition of the Communist Party newspaper ZERI I POPULLIT. But the authorities have not yet recognized the Democratic Party.

"The dictatorship has begun to make concessions," Mr. Pashko said, but "the electoral law must be changed and we must participate in the electoral committee's work."

Although the fledgling opposition is not allowed to put forward its message on television or in the press, it plans to launch a daily as soon as possible, he said. However the project looks all the more difficult since the new law specifies that political parties may not accept funds from foreign sources, including Albanian emigres. Nevertheless the opposition group appears to have growing influence in Tirana. It was with encouragement from people close to the Democratic Party that the Youth Union quit the Communist Party Tuesday and declared itself an independent organization.

Informed sources here said participants at a Communist Party meeting held during the past few days had denounced Mr. Pashko, Dr. Berisha and a third party leader, the author Besnik Mustafaj, as "manipulators of young people." Although the opposition is organizing, with a little difficulty, in the capital and provinces, several organizers told AFP they had received anonymous telephone calls and threats. Mr. Pashko said his children had been threatened.

Opposition Leader Reports Demonstrators Tortured

*AU2012133190 Vienna Domestic Service
in German 1100 GMT 20 Dec 90*

[Michael Kerbler report; place and date not given]

[Excerpt] [passage omitted] The Albanian opposition reports that it has acquired information according to which many of the people arrested during the anticommunist riots were tortured. In Elbasan, Shkoder, and Durres people were tortured so that they admitted crimes that they had not committed and for which they were sentenced to 15 years' imprisonment, (Genz Pollo), spokesman of the Albanian Democratic Party, said in a telephone interview. In contrast to the government's announcements, many were brought to trial without a lawyer. The confessions were extorted by torture, the opposition criticized. Genz Pollo added: Most of them were peaceful demonstrators, but some of them became

violent after they had been provoked by the police. (Pollo) called for the immediate release of all political prisoners in Albania.

Numerous intellectuals from the ranks of the democratic opposition point out parallel aspects in the political development in Romania, Bulgaria, and the former GDR, where the communist rulers turned into socialists to ensure their power. Ramiz Alia and the new members of the Albanian Communist Party are called turncoats. We do not know what kind of people are leading the new party, an Albanian emigrant said. As in Romania and Bulgaria, the government party is pretending to adopt a new face to take the wind out of the resistance's sails. Those who revolt in the streets are the real opposition to Ramiz Alia's regime, he said. He also pointed out that, as a political economist, Gramoz Pashko, one of the founding members of the Albanian Democratic Party, which has now been permitted as an opposition party, has good relations with the power elite of the country. Many intellectuals enjoyed privileges in the past few decades. The distrust in the population against these intellectuals is deep, he said.

Prominent author Ismail Kadare, who escaped to French exile in October, added: I fear a counterattack by the conservative Albanian forces.

Trials of Demonstrators Continue; Sentences Passed

Six Jailed for Elbasan Protests

*AU1912192790 Belgrade Domestic Service
in Serbo-Croatian 1800 GMT 19 Dec 90*

[Excerpt] Six people who took part in last week's antigovernment demonstrations in the Albanian town of Elbasan have been sentenced to five to 10 years in jail, AFP reports, citing informed sources in Tirana. Reports on this are confirmed by ZERI I POPULLIT, the organ of the Albanian Communist Party, but it does not mention the verdict. [passage omitted]

Charges of 'Violent Resistance' Proved

*AU1912195190 Tirana Domestic Service
in Albanian 1900 GMT 19 Dec 90*

[Text] The trials of wrongdoers who committed illegal acts in the towns of Elbasan, Durres, and Shkoder continue. At the conclusion of the trial, after the charges were proved, the persons accused in the first two days of the trial were declared guilty of premeditated damage to common property, violent resistance to the representatives of the state, violation of the law on gatherings and assemblies, and socially undignified behavior, as laid down in the respective articles of the penal code. The accused received appropriate prison sentences of varying lengths, according to the degree of their crime. Our journalists in Durres District reported that 12 of the accused were sentenced in the first two days of the trials. Six of them were sentenced to two and one-half years' imprisonment or less. Four were sentenced to between

10 and 12 years, and so forth. In Elbasan District, of six sentenced on the first day of the trial, five are recidivists. Two were sentenced to five years' imprisonment, two to six years, and two others to 10 and 12 years. The trials of other participants in the malevolent acts committed in recent days are continuing.

Details of Sentences Given

AU1912224190 Tirana Domestic Service
in Albanian 2100 GMT 19 Dec 90

[Unattributed report: "Statement by the Ministry of Justice"]

[Text] The People's Courts, on the basis of investigations conducted by the competent authorities, have sentenced some of those persons who committed diversionary acts and pillage and vandalistic destruction of the people's property in the districts of Shkoder, Durres, and Elbasan. The courts of these districts, chaired by the presidents of the courts Naum Pejo in Shkoder; Agim Hoxha, Valentina Sabiraj, Vangel Korca, Lulzim Buma, [name indistinct], and Edmond Seliu in Durres; Ismet Betolli, Nikolla (?Kuponeci), Roza Mujo, Lisen Kovaci, Enver Lame, and [name indistinct] in Elbasan; and assisted by the prosecutors Mimoza Kaja in Shkoder; Luljeta Petani, [name indistinct], Enver Petra, and Vangel Muzina in Durres District; and Pavli Shuteriqi, Sofika Xhani, Pranvera Selica, Bahri Fieri, and Vasil Deda in Elbasan; and with the participation of the defense lawyers Rustem Fazliu, Selim Beqiri, Hasan Merturi, Agron Peza, Mevlije Cicaj, and Hasan Tabaku, on the basis of judicial evidence, the statements of the accused, and their mutual [word indistinct], the statements of witnesses, and written and material evidence, declared the following accused to be guilty at the conclusion of the court proceedings:

For the crime of diversion under Article 52 of the Penal Code; (?Paoli Noshi) was sentenced to 20 years imprisonment, and Zef (?Tosa) and Sokol Ndoja were sentenced to 15 years imprisonment. All three were from Shkoder District.

For the violent and vandalistic destruction of the people's property, amounting to large sums, Adrian Mezini and Nexhat Gjoksi were sentenced to 14 years imprisonment; Arben Gorana to 13 years imprisonment; Gezim Dymylja to 12 years imprisonment, etc. All these persons were from Durres District. Liman Caka, from Elbasan District, was sentenced to 11 years' imprisonment.

Various other cases prepared by the investigator have also been submitted for consideration to the People's Courts of these districts, with charges anticipated under Article 52, Article 67, Paragraph 2, and Articles 129 and 115 of the Penal Code.

The trials of the accused took place in the halls of the courts, in the presence of large numbers of the working masses. Meanwhile, investigations of other persons

arrested for the aforementioned crimes are continuing. Ministry of Justice; Tirana, 19 December 1990.

Decree on Political Organizations, Associations

AU1912153290 Tirana ATA in English 0900 GMT
19 Dec 90

[Text] Tirana, December 19 (ATA)—The presidium of the People's Assembly adopted the Decree No. 7442, dated 17.12.1990 "on the creation of political organisations and associations".

The decree, based on the Article 54 of the Constitution, recognises the right of the citizens to form political and social organisations (parties) or associations in the People's Socialist Republic of Albania. The activity of the political parties or associations may be extended in one or several districts or in the whole territory of the People's Socialist Republic of Albania.

According to this decree, the citizens who want to form political parties or associations are obliged to grant a request to the Ministry of Justice, submitting their program, regulation or statute.

The request for the formation of a political party or association must be examined within 30 days from the day of being received by the competent organ, which decides on its approval or refusal. If the request is not examined within this schedule, it is considered accepted.

The decree prohibits the formation or continuation of the activity of political parties or associations if they have a fascist, racist, warmongering, anti-national character or instigate national hatred, if they aim at violently overthrowing the order established by the Constitution of the People's Socialist Republic of Albania.

According to the decree, foreign citizens and Albanian ones, not permanently residing in the territory of the People's Socialist Republic of Albania can neither take part in the formation of a political party or association, nor can they be their members.

The decree determines also that the political parties or associations are juridical individuals. They are recognised the right to have the necessary property to carry out their activity, their press, as well as to administer the incomes deriving from the membership quotas and other legal sources. The political parties or associations are prohibited to receive directly or indirectly financial aids from abroad, such as: foreign states, parties, organisations, institutions, individuals, or from Albanians not permanently residing in Albania. On the contrary, the state confiscates these aids.

The above-said decree will be published in the next issue of the official gazette.

'Vandalism,' Future of Pluralism Viewed*AU2012000190 Tirana BASHKIMI in Albanian
17 Dec 90 p 2*

[Capajev Gjokutaj article: "No to Anarchy, Stop the Vandalism!"]

[Text] I do not believe that my generation, which it has become customary to call "the middle generation," has ever experienced so many and such tense events as last week. It would not be easy even for the pen of a master of epic to describe the intensity and tension, anxiety and joy, and pain and bewilderment which an entire nation underwent last week.

The night between Saturday and Sunday [8-9 Dec] confronted us with the students' protest, which continued more forcefully on Sunday, and more quietly and tactfully on Monday and Tuesday, until we came to Wednesday's rally, at which the initiative to create the Democratic Party was announced. Tuesday brought the communique of the 13th Central Committee plenum, the announcement permitting political pluralism, and Comrade Ramiz Alia's dialogue with student representatives. On Wednesday, Comrade Ramiz's message made us think deeply, and we were extremely disturbed by the news from Kavaje. Thursday brought even grimmer news about the vandalism in Shkoder, followed by the news from Elbasan and Durres on Friday, leading to the question on Saturday and Sunday: What is the situation like in other cities?

Such a host of contradictory events followed the plenum's decision to permit political pluralism, which roused the hope that it would lead to major consequences in the country's life, accelerating and deepening the democratic processes initiated by the party, yielding much more tangible fruit in the struggle against bureaucracy, eliminating the consequences of isolation, helping the swift integration of Albania into European processes, and, in achieving all this, further strengthening the homeland's unity, freedom, and independence. Pluralism contains within itself the embryos of these possibilities, but how will they develop, on what road, and at what price?

These questions arise after the events of last week. Following them one after another like a staircase, we arrive at the threshold of the gate, where the major question awaits us: Which forces will become the protagonists of pluralism, and how did they behave last week?

We understand from the media that the workers of some enterprises in Durres intervened to disperse the delinquent elements, that the people of Shkoder and Elbasan did not support the acts of vandalism, and that the young people and teachers of the Medar Shtylla School in Kavaje refused to heed violent calls for a boycott of classes. These and other facts of recent days show that anyone who will dare to incite vandalism will have to

reckon with the iron fist of the workers and the broad masses of the people, which are ripe for today's democratic processes.

The lack of public information about who broke the law during the students' protests, the protesters or the police, and about whether people were injured and what their condition is shows that the practice of hiding behind "matters of state" and the practice of anonymity, or, more precisely, rescuing certain persons at the state's expense, persist in the organs of internal affairs and the mass media.

The events at the student center showed that young people, or the most select and educated among them, are prepared for this new stage. The intellectuals who joined the students and apparently became an important factor in articulating their demands in a realistic and acceptable form, and the declarations by the Writers and Artists Union, the artists of the film studio, etc., showed that our intellectuals are fully capable of ensuring a transition to a multiparty system without pain and tumult.

The events in Kavaje, Shkoder, Elbasan, and Durres show that there is a mass of people without a shred of political and democratic culture, incited by hostile and antinational sources, who are jealous that the initiative was taken from them by moderate forces favoring democratic dialogue and not bloodshed. The behavior of these forces, which, to borrow a term from psychoanalysis, resembles a rebellion of the subconscious and the creation of a neurotic state, is very dangerous, not simply because it may give the world an impression of an uncivilized society unprepared for democracy, but first of all because it may sow distrust and insecurity among the people. Furthermore, alongside this, it gives arguments to conservative forces and give them the opportunity to move from positions of expectancy and defensiveness to extremist acts which would cost us dearly today and in the future.

It is amazing that foreign news agencies, both serious and nonserious, portrayed these acts as legitimate anticommunist protests. It is difficult to talk about the class affiliation or political orientation of these crowds, but they are nevertheless objectively the gravediggers of democracy. Blind acts of violence would create in no small number of people a sense of grievance against pluralism and an allergy against political life. As if economic problems were not enough, now let us face the danger of being struck by a stray bullet or having our houses attacked and plundered! If uncontrolled violence escalates, it will demand a tightening of order in the streets, and one knows how freely a man may judge and act under such a shadow, just as one knows what kind of an electoral campaign could be conducted in such an atmosphere and what a limited terrain new political forces would have in which to expand and act. Any constriction, any restriction beyond the law would now be an investment in future social tumult and a very painful postponement of the creation of an organizational and legal base for pluralism, something which would lead to the collapse of the economy

with all its terrifying social and political consequences. Such a situation would imperil not only democracy, but very much more.

Under circumstances, the explanation of measures, with more lively and wiser propaganda work, assumes priority. We have great need for the people's wisdom and moderation to enter our mass media; it has never been lacking, and at such times it takes wing and finds elegant expression. What should not happen is what was seen in a television report from Shkoder, in which two internal affairs officers were interviewed, while the screen showed the results of the vandalism. There is nothing wrong in representatives of public order speaking; on the contrary, this was a good thing. What was wrong, however, was that the people did not speak and did not themselves give us any explanation of how it was possible for the crowd of hooligans to terrorize the city's population for seven hours on end, whether this was because of a failure of professional training or because of lack of initiative—something which has been apparent on other occasions and which shows that there is a tendency in the organs of the dictatorship to substitute orders and instructions for the role of legality.

In recent days, we have read letters from collectives and mass organizations. It would be more effective in such cases if we could also hear the wise and weighty words of personalities at home and abroad. The excessive politicization and ideologization which has harmed us becomes even more dangerous now, when the problem is assuming the contours of concern over the homeland's freedom and independence. In this context, it is a weakness in our political culture for the wise and soothing words of Rexhep Qosja and other distinguished Kosovar intellectuals to be heard from Voice of America, not for any fault of their own. State borders have never been spiritual borders, and still less can they be so today in our situation.

None of us would be in favor of a form of political pluralism which kindles feuds and divides the people. Comrade Ramiz Alia's call for dialogue, argument, logic, culture, tolerance, and order is therefore an appeal addressed to us all, because all of us, regardless of political affiliation, are concerned about Albania's destiny. In a period of social and national ferment, images of the future are powerful. The men of the renaissance [19th century Albanian national movement] dreamed of Albania as a second Switzerland. If we, their successors a century later, cannot make it Switzerland, let us not turn it into Lebanon.

AUWY Central Committee Secretary on New Role

AU1912210190 Tirana Domestic Service
in Albanian 1900 GMT 19 Dec 90

[Interview with Mimoza Jaze, secretary to the Central Committee of the Albanian Union of Working Youth, by unidentified reporter on 19 December; place not given—recorded]

[Text] [Reporter] We wish to inform listeners more specifically and in more detail about the position of this organization and its electoral program. What does it stand for?

[Jaze] First of all, we must realize that the position of the Albanian Union of Working Youth [AUWY], in the current new situation through which the process of the democratization of the country is passing and in which we have entered the system of party political pluralism, cannot and will not be what it has been to date. We want our youth organization, because it belongs to a certain age group—it involves boys and girls of all ages, but they are all young—and because its members have specific interests, not to be one of political struggle and of different political viewpoints, which will be represented by those parties and political forces which are being created. Seen from this angle, we want this independent social [word "social" stressed by Jaze] organization to meet the specific interests of the younger generation, who, regardless of the political convictions and allegiances or their beliefs, naturally have something in common among themselves. They have their interests in science, culture, sports, and entertainment, interests which all young people share. [Words indistinct]. (It is a matter of) meeting these needs best.

The new program that was presented for discussion and was approved by the AUWY national conference covers certain points, on the basis of which the entire program of the AUWY will be constructed and approved at the organization's 11th Congress to be held before the end of 1991. Before anything else, I wish to say that we consider it necessary for the AUWY's organizational structure to be freed from various petrified aspects which mark it at present. We will be at pains to introduce fully free activities and organizations, which will make the youth organization more (attractive), and ultimately to meet the interests of the organization's members.

[Reporter] Now, how will your organization take part in the electoral campaign with its own candidates.

[Jaze] It will present its own electoral program in this campaign, which has two aspects, two major issues: young people and the country's problems, young people and the prospects of our country's economic, political, and cultural development, and young people and what their organization will do to meet their specific interests. Of course, we are at the stage of having announced the program, but we are also thinking of the candidates which the AUWY will put forward. We are bearing in mind that they must be people who will worthily represent the AUWY in this campaign, personable people who enjoy the respect and sympathy of the broad masses of the people.

Talks With Great Britain Take 'Steps Forward'*AU1912200190 Tirana Domestic Service
in Albanian 1900 GMT 19 Dec 90*

[Text] The delegations of Albania and Great Britain met in Geneva on 18 and 19 December 1990 in order to discuss bilateral issues, including the reestablishment of diplomatic relations. These talks, which were held in a constructive atmosphere, took steps forward.

European Parliament's Langer on Visit*AU1812151190 Tirana International Service
in German 1330 GMT 18 Dec 90*

[Text] Before his departure from Albania, Mr. Alexander Langer gave the following interview to the newspaper ZERI I POPULLIT:

I consider my stay in Albania, at this time when your country when your country has taken a great step forward to democracy, to have been a joy. I had many meetings with various people, from politicians to students. I also took part in a church service in Shkoder. As a deputy to the European Parliament, I express my solidarity with the Albanian people and that of the delegation I have led. In my meetings, I clearly noticed the common desire to strengthen Albania's ties with Europe. This is of great importance at a time when the European Parliament will seriously discuss the acceptance of Albania as a full-fledged member of the CSCE process.

I obtained a great deal of information during my stay. I will use this in a special report to be submitted to the Parliament, in which I will express my view on the introduction of active relations between the Community of 12 and Albania. I hope that the process of democratization in Albania will proceed without problems in the future. The Albanian people welcome this process. The state is carrying it out, and that is the best guarantee for the realization of democracy. This is a very important act, which opens great opportunities for the resumption of Albania's relations with Europe in all fields. I will deliver a special report about the developments in Albania to the Political Commission and to Italian Foreign Minister Gianni de Michelis personally. I will

speak to the European Parliament about the establishment of political pluralism in Albania. I think that the EEC and other parts of Europe will be very happy about this important political achievement of Albania. Of course, Albania must not and cannot ultimately become a dependent of Europe. I take the view that the European Parliament will vote by the end of February or March next year in favor of a resolution on relations with Albania on a sound parliamentary basis.

Alia Receives Kosovo Human Rights Activist Cana*AU1912143890 Zagreb VJESNIK in Serbo-Croatian
17 Dec 90 p 1*

[HINA report: "Cana and Alia"; place and date not given]

[Text] On Saturday, Ramiz Alia received a famous Kosovo human rights activist Dr. Zekeriah Cana. Professor Cana briefed Ramiz Alia on the situation in Kosovo and ethnic Albanians' efforts to realize their national and democratic rights. During the meeting Ramiz Alia stressed that the people of Albania would in the future, as they have done so far, continue to support "the brothers from Kosovo on the path of realizing their legitimate interests."

Alia said that he had set out Albania's stand on Kosovo and Albanians living in Yugoslavia in the United Nations and that recently he also acquainted Yugoslavia's foreign minister Budimir Loncar with it.

At the end, Professor Zekeriah Cana thanked the Albanian president for the support "which Albania has always been extending to the just struggle of the Kosovars."

As regards the talks with Ramiz Alia, Professor Zekeriah Cana stated that his impression was that the Albanian president was the main advocate of the process of democratization in Albania and that he supports it most. This is proved by the fact that, despite resistance in the leadership itself, it was him who initiated the process of legalizing a multiparty system. "I can frankly say that with his wise moves he prevented bloodshed in Albania. There is something that worries the Albanian president, and these are Albania's great economic problems. Albanians should therefore give their president time, because not everything can be done quickly," Dr. Cana said.

Prime Minister Popov Names New Cabinet Members
AU1912225390 Sofia Domestic Service in Bulgarian
2202 GMT 19 Dec 90

[Speech by Council of Ministers Chairman Dimitur Popov presenting his cabinet to the Grand National Assembly—live]

[Text] Esteemed Presidency of the Grand National Assembly,

Esteemed Ladies and Gentlemen, people's representatives,

After long consultations and complex negotiations that accompanied the task with which I was entrusted, and which I received with willingness and responsibility, consultations and negotiations that reflected the complex relations among all forces that form the National Assembly, and after the good will demonstrated by all participants, I am able to inform you that I fulfilled the task. I would like to read to you the list of the Government of the Republic of Bulgaria:

Chairman of the Council of Ministers—Dimitur Popov;
Deputy chairmen—Aleksandur Tomov, Viktor Vulkov, and Dimitur Ludzhev;
Minister of finance—Ivan Kostov;
Minister of industry, trade and services—Ivan Pushkarov;
Minister of foreign economic relations—Atanas Paparizov;
Minister of transportation—Veselin Pavlov;
Minister of justice—Pencho Penev;
Minister of defense—Yordan Mutaftchiev;
Minister of foreign affairs—Viktor Vulkov;
Minister of internal affairs—Khristo Danov;
Minister of agriculture—Boris Spirov;
Minister of environment—Dimitur Vodenicharov;
Minister of labor and social welfare—Emiliya Maslarova;
Minister of health—Ivan Chernozemski;
Minister of education—Matey Mateev;
Minister of science and higher education—Georgi Fotev;
Minister of culture—Dimo Dimov.

Esteemed ladies and gentlemen, you know most of those people. I would like to provide a bit of information about the persons you perhaps are not familiar with.

I proposed Khristo Danov as minister of internal affairs. Mr. Khristo Danov is not a member of any political party. He is a nonparty person. He is a jurist, one of Bulgaria's noted lawyers. He also is known for his active participation in the work of various judicial commissions, including the Grand National Assembly Legislating Commission, the Ministry of Justice, and other places. As the person entrusted with forming the new cabinet I had the opportunity to propose a nonparty member as minister of internal affairs. This proposal was mutually acceptable to all political forces. Mr. Danov enjoys the confidence of all forces represented in the

parliament. He has the qualities that correspond to the high requirements of his post. I ask you to approve his candidacy.

Professor Dimitur Vodenicharov, who was proposed as minister of environment, is a biologist and works in Plovdiv. He is a man with extensive scientific experience, who enjoys high authority and prestige. I point out that he is not a member of any party.

Professor Georgi Fotev is a sociologist in Sofia University. He is very active in his field and has many publications. He also has great authority and enjoys high prestige. You are familiar with all the other names.

Thank you very much.

Further on New Cabinet Announcement

AU1912233490 Sofia BTA in English 2306 GMT
19 Dec 90

[Text] Sofia, 20 Dec (BTA)—At midnight, at the end of the time limit he was given to form a cabinet, Mr. Dimitur Popov presented the list of the nominees as follows:

Deputy chairmen of the Council of Ministers—Aleksandur Tomov, Viktor Vulkov and Dimitur Ludzhev;

Minister of finance—Ivan Kostov; minister of industry, trade and services—Ivan Pushkarov; minister of foreign economic relations—Atanas Paparizov; minister of transport—Veselin Pavlov; minister of justice—Pencho Penev; minister of defense—Yordan Mutaftchiev; minister of foreign affairs—Viktor Vulkov; minister of the interior—Khristo Danov; minister of agriculture—Boris Spirov; minister of the environment—Dimitur Vodenicharov; minister of labor and social welfare—Emiliya Maslarova; minister of health—Ivan Chernozemski; minister of education—Matey Mateev; minister of science and higher education—Georgi Fotev; minister of culture—Dimo Dimov.

Dimitur Popov, who has no party affiliation, nominated as his deputies Aleksandur Tomov of the Bulgarian Socialist Party (BSP); Viktor Vulkov of the Bulgarian Agrarian Party (BZNS), who is also his candidate for the post of minister of foreign affairs; and Dimitur Ludzhev of the Union of Democratic Forces (UDF) [SDS]. The three of them are prominent politicians who have not been members of a cabinet before.

The new names in the "economic block" are Ivan Kostov and Ivan Pushkarov—both economists, parliamentarians of the UDF; Atanas Paparizov of the BSP has been in Andrey Lukanov's cabinet. There is another new name—Boris Spirov of the BZNS, the candidate for the ministry of agriculture. According to Dimitur Popov's proposal the minister of defense, the minister of education, the minister of health, the minister of culture and the minister of labor and social welfare will hold their ministerial seats. Pencho Penev will take up the

Ministry of Justice which he headed in Lukanov's first cabinet; he has held the Ministry of the Interior in his second cabinet.

There have been no disputes over the nomination of Ivan Chernozemski and Veselin Pavlov (the latter held a ministerial seat in Andrey Lukanov's first cabinet).

Khristo Danov, the candidate for the most heatedly disputed ministry—the Ministry of the Interior, has no party affiliation. He is an eminent lawyer. The other new names are those of no-party-affiliated Dimitur Vodenicharov who is a biology professor and Georgi Fotev, a sociologist at the University of Sofia, who has been nominated by the UDF.

A little before the voting procedure started, the representatives of the UDF and the BZNS categorically pointed out that Bulgaria needs this government and the BSP leader Aleksandur Lilov wished it success. The parliamentarians of the Movement for Rights and Freedoms did not state their position.

Assembly Approves Popov Cabinet

AU2012094990 Sofia BTA in English 0904 GMT
20 Dec 90

[Text] Sofia, 20 Dec (BTA)—At three o'clock in the morning the new cabinet was elected by secret ballot. According to the political forces' agreement it is a "national government of the peaceful transition to democracy".

259 M.P.'s out of a total of 326 voted for the Prime Minister Dimitur Popov. The other nominees also got a majority. The much disputed post of minister of the interior was won by Khristo Danov who got 274 votes. Most of his colleagues, including the deputy prime ministers, polled almost the same number of votes. The only exception is the Minister of Finance, Ivan Kostov, who was elected with 164 votes for and 162 against. Ivan Kostov is one of the M.P.'s with the highest popularity ratings and opinion polls show that experts regard him as the most eligible candidate for a number of ministerial posts.

This is the first multi-party government in more than 40 years during which Bulgaria was ruled by the Communists and their staunch allies the Bulgarian Agrarian Party. The newly elected government is the third one to have come to power this year. The former two were headed by Socialist Andrey Lukanov.

Dimitur Popov's cabinet was formed after 12 days of consultations whose outcome seemed unpredictable till the last moment. The cabinet is comprised of members of the Bulgarian Socialist party, the Union of Democratic Forces, the Bulgarian Agrarian Party, as well as non-party members.

The forming of the new cabinet allows the ratification of the political forces' agreement.

SDS Head on Cabinet, Interior Minister

AU2012101590 Sofia BTA in English 0920 GMT
20 Dec 90

[Text] Sofia, 20 Dec (BTA)—The Union of Democratic Forces (UDF) [SDS] sets a lot of hope on the new cabinet and considers that the real test will begin in the middle of January.

The opposition approved the cabinet after persuading the socialists to withdraw four of the five nominations that were unacceptable for the opposition, UDF Leader Filip Dimitrov said. In his opinion Dimitur Popov possesses the necessary qualities that would help him lead the government in the present difficult situation.

Khristo Danov, the minister of the interior, who has no party affiliation, is almost 60 years old and unknown to the broad public, but he is "devoted to democracy", Mr. Dimitrov said. Mr. Danov has been an expert of the UDF.

It can be seen from the statements the opposition deputies made that the Bulgarian Socialist Party [BSP] gave up Georgi Pirinski's nomination as deputy prime minister. Thanks to it UDF economists Ivan Kostov and Ivan Pushkarov agreed to enter the cabinet. This is the tandem who will direct the economic reform. The BSP has also met the demands of the UDF for structural changes in the ministries. The UDF is satisfied also by the fact that in its present membership the government will not hinder foreign investments.

Mr. Dimitrov explained the Movement for Rights and Freedoms' non-participation in the cabinet with the political tactfulness of the movement, who took into account the difficult situation in the regions populated by ethnically mixed population.

Final Talks Before Cabinet Announcement Reported

Simeonov, Tomov View Negotiations

AU1912154890 Sofia BTA in English 1456 GMT
19 Dec 90

[Text] Sofia, 19 Dec (BTA)—In the afternoon today, after the consultations, Petko Simeonov of the Union of Democratic Forces (UDF) [SDS] and Aleksandur Tomov of the Bulgarian Socialist Party (BSP) said that Bulgaria would probably have a new government this evening.

The negotiations continued until late last night. Today they lasted until the parliamentary sitting.

The composition of the cabinet could be better, but it will do to establish contacts with the international institutions, Mr. Simeonov said.

But by 1400 hours local time, when asked if Bulgaria would have a new government this evening, the participants in the talks on the cabinet answered "I don't know," "We'll see," "I doubt it," "I hope." Curiously, it

was people belonging to the same political force that gave these different answers.

We agreed on a no-party-affiliated minister of the interior, UDF leader Filip Dimitrov said. But he, as well as other members of the opposition, pointed out that the BSP position on the other key ministries and the economic ones in particular was hardening.

Pessimism Among Participants Noted

*AU1912213790 Sofia BTA in English 2104 GMT
19 Dec 90*

[Text] Sofia, 19 Dec (BTA)—The negotiations between the parliamentary political forces on the formation of a new government are back where they started, an opposition MP told a BTA reporter. The extension of the time limit within which Mr. Dimitur Popov was to present his project for the new cabinet to the Grand National Assembly expires today.

Consultations are going on in spite of the pessimism of the participants. When some decision is made, it will be announced to parliament, which is continuing its session.

The political forces' decision should have been announced by 1900 hours local time. Some variants of the new cabinet have been heard mentioned in the lobbies, but even the nominees-to-be do not know for sure what the outcome of the negotiations will be. Representatives of the Union of Democratic Forces later explained that all of a sudden they had been offered a project which included nine of the members of Andrey Lukanov's socialist government which is still acting.

The Ministry of the Interior is not the only problem. "Things go much deeper," one of the participants in the consultations said. There is some talk among the opposition that a coalition of all parliamentary forces is pointless.

According to some statements the parliamentary factions have different grounds to refuse to support Dimitur Popov. It has been suggested that his nomination as prime minister may be voted down in a secret ballot. Minister. [as received] According to another opinion he is not the person capable of heading the government on the one hand and, on the other, the course of the negotiations prove that it is other people who make the decisions.

'Ecclesiastical Matters' Department To Be Formed

*AU1912160390 Sofia BTA in English 1432 GMT
19 Dec 90*

[Text] Sofia, 19 Dec (BTA)—As of January 1, 1991, a Department of Ecclesiastical Matters will be set up with the Council of Ministers. It will succeed the Committee for Ecclesiastical Matters and Religious Denominations that is functioning now with the Foreign Ministry.

With the department there will be established a council of representatives of the different religions, which will have consultative functions. It will discuss issues connected with the relations between the state and the various religions, as well as the relations between the religions themselves.

Deputy Foreign Minister Lyubomir Popov, chairman of the Committee for Ecclesiastical Matters and Religious Denominations, announced at today's press conference that all religious organizations in Bulgaria have been legalized. On October 19 the Statute of the Bulgarian Catholic Church was approved and the Church became a legal entity on a par with the Bulgarian Orthodox Church. On this basis diplomatic relations were established with the Vatican in November.

The operative legislation of 1949 recognized only the Statutes of the Bulgarian Orthodox Church, the Supreme Muslim Theological Council, the Central Jewish Theological Council and the Armenian Apostolic Orthodox Church and later of some Protestant churches as well.

Now the total number of the legalized religious organizations is 15—the Orthodox Church, the Muslim Theological Council, the Catholic Church, nine Protestant churches, the Central Jewish Theological Council, the Armenian Apostolic Orthodox Church and the "White Brotherhood"—the Danovists.

Popov Issues Decree on Ethnic Turks' Rights

*AU1912151990 Sofia ZEMEDEL'SKO ZNAME
in Bulgarian 15 Dec 90 p 3*

[Text] Prime Minister Dimitur Popov has requested that BTA disseminate a declaration in connection with his interview published in the newspaper "RUSE—DNES" ["RUSE—TODAY"] on 8 December. From reading the interview, one might be left with the impression that he is against the entitlement of the section of the Bulgarian population with a Turkish ethnic origin to possess rights, freedoms, and interests like all Bulgarian citizens. As a strong supporter of democracy, Mr. Dimitur Popov considers that all Bulgarian citizens have and must have a real opportunity to enjoy all rights and freedoms, as stated in the Charter of Human Rights and Freedoms and guaranteed by the Bulgarian Constitution. The section of the population which professes Islam and belongs to various ethnic groups must be absolutely calm and remain assured that these rights of theirs will be guaranteed and defended. If Mr. Popov heads the Bulgarian Government, he will make all possible efforts to guarantee civil peace and the possibility for every citizen, irrespective of race, language, and faith, to enjoy his rights and freedoms in reality. We need calm, civil peace, mutual respect, goodwill, and understanding. Mr. Popov's declaration states in conclusion.

Socialist Youth Conference Supports Party Ideals*AU2012105890 Sofia DUMA in Bulgarian
17 Dec 90 pp 1, 2*

[Dora Chichkova report: "Socialist Youth Union Poses Task of Restoring Normal Image of Socialist Ideas"]

[Text] "We face the difficult task of restoring the normal image of the socialist ideas. Such an image exists in every country with a developed democracy." This is pointed out in the political report adopted by the Second National Conference of the Socialist Youth Union [SMS], which ended in Sofia on 16 December.

The conference took place nine months after the SMS was established. It confirmed the topicality of the program declaration, which was adopted in March.

The political report also analyzed the processes which led to 10 November 1989. According to the document, it is necessary to clarify those processes, because "they determined to a large degree the characteristics of present social life and the main political forces' motives of participating in the political processes." Special attention was devoted to the consequences of economic supercentralization and the processes related to the interests and behavior of plutocracy—the ruling class until one year ago.

Further on the report attempts to analyze the motives of supporting the Bulgarian Socialist Party [BSP] and the Union of Democratic Forces [SDS], as well as the reasons which prompt people to join the SMS, in which young people can defend their convictions without being burdened by BSP's heavy historical burden.

The SMS priorities and strategy, as well as program of action also were clarified. They stress political education, the study of social processes, and organizing efficient social protection of young workers.

"For us it is very important to learn how to identify the conservative forces in the BSP and reveal this part of the former ruling class, which still uses the BSP as a shield for covering their abuses," the report reads. According to the young Socialists, only the removal of those conservative forces could save the socialist idea. At the same time they point out another important task, namely, "to learn how to identify and unmask the loafers who are waving false democratic flags in an attempt to save their careers. They are agents of social discrimination, well known to all, and their unperturbed existence could easily restore past images, which they now so ardently deny with their words."

The conference instructed the SMS to work out as soon as possible a new strategy on participating in the forthcoming elections, and on the ethnic issue.

Yuriy Borisov was reelected SMS chairman.

Lilov Confers With Sofia, Dobrich Socialists*AU2012102190 Sofia DUMA in Bulgarian
15 Dec 90 p 2*

[Nikolay Zhelev report: "Meetings of the Bulgarian Socialist Party Supreme Council Chairman"]

[Text] The participants in the meeting between Sofia's Lyulin municipality Socialists and Aleksandur Lilov focused their attention three topics: the political situation in the country, the situation within the Bulgarian Socialist Party [BSP], and the work of the parliament. People of all ages participated in the discussion. Concerned questions and comments were voiced. They were related not only to the present, but also to the country's future and to the party as a defender of the socially weak strata of the population, regardless of the government's composition.

At the meeting Aleksandur Lilov handed membership cards to eight Socialists, admitted last week to the BSP. Among them—sisters Milena and Elena Kostova, age 21 and 29, respectively; Ivan Ivanov—20; and Nikifor Khristov—28. Autograph-collectors acquired the signature of the BSP Supreme Council chairman in their old party membership cards.

Dobrich, 14 December—The basic characteristic of the Bulgarian phenomenon is the fact that the BSP drew the right consequences in time and itself became the initiator of the change. This is what Aleksandur Lilov said at his 14 December meeting with BSP members and supporters in Dobrich. He also spoke about the necessity of accelerating the change in the party and in society as a whole.

Rumors of Kozloduy Nuclear Plant Accident Denied*AU1912220090 Sofia BTA in English 2132 GMT
19 Dec 90*

[Text] Sofia, 19 Dec (BTA)—The rumours that there has been an accident at the Bulgarian nuclear power plant in Kozloduy are not true, a competent source of the Bulgarian Civil Defence told the BTA replying the question if the information aired through some satellite television channels were true.

According to the latest information released by the operators who have been on duty at the sole Bulgarian nuclear power plant since 2200 hours this evening the plant is operating in a normal way and there have been no incidents or accidents today, the source said.

Balkan Countries' Experts End Sofia Meeting*AU1912181990 Sofia BTA in English 1705 GMT
19 Dec 90*

[Text] Sofia, 19 Dec (BTA)—The two-day meeting of experts from the Balkan countries' foreign ministries ended here today. The participants discussed a number of ideas and proposals for the expansion of relations in

culture and in the humanitarian sphere and for the promotion of contacts between the mass media.

An agreement was reached that each of the participating countries would study the positions stated and consult the respective institutions and organizations concerned.

The next meeting will be held in Ankara in the first half of March 1991.

The participants stated their views on the future promotion of relations in the above-mentioned spheres. Albania proposed to coordinate the activity aimed at simplifying the consular procedures involved in finalizing the documents of the people travelling in the region; Greece proposed to hold a Balkan festival of arts; Romania put forward the idea to set up a Balkan research institute of ethnic and national problems; Yugoslavia's delegate proposed to coordinate common activity related to the problems of the national minorities; Turkey insisted on setting up a Balkan convention on culture.

Bulgaria made a concrete step: On December 18 she relaxed unilaterally the visa regime for the Balkan countries' journalists temporarily residing in Bulgaria by setting a time limit of 48 hours for the issue of entrance visas.

Black Sea Free Trade Zone Discussed in Ankara

*AU2012094790 Sofia BTA in English 0849 GMT
20 Dec 90*

[Text] Ankara, 20 Dec (BTA)—The quadrilateral meeting on setting up a Black Sea zone of economic cooperation was opened yesterday, late in the afternoon.

Mr. Stefan Staykov, first deputy minister of foreign affairs, who leads the delegation, underlined in his speech that the meeting was held at a moment of radical changes in Europe and the world. He pointed out that new forms of cooperation should be sought both on

bilateral and on multilateral basis, by taking into consideration the starting position of the countries concerned.

Bulgaria is interested in the development of active economic cooperation with her neighbors, the leader of the Bulgarian delegation said. He stressed that when exchanging views on the promotion of economic cooperation between the Black Sea countries the universal principles laid down in the CSCE documents should be taken into account and that the concrete forms of conducting cooperation should be determined a thorough study of the existing possibilities and conditions. Mr. Staykov stated that the countries participating in the meeting could make efforts to create a system of bilateral agreements on trade and cooperation on the basis of the general principles and norms of international trade, pointing out it is of special importance that the countries grant each other most-favored-nation status.

Foreign Ministry Declaration on SFRY Relations

*AU1912135890 Sofia BTA in English 1255 GMT
19 Dec 90*

[Text] Sofia, 19 Dec (BTA)—Bulgaria supports the processes of democratization and innovation in Yugoslavia and is interested in the prosperity and stability of her neighbors. In a declaration of the Ministry of Foreign Affairs, handed in for publication here today, it is pointed out that the peaceful means in the solution of the problems of our western neighbor are being regarded as a substantial contribution to stability in the Balkans.

The document makes it clear that the changes in Yugoslavia are favourable for the development of bilateral relations in all spheres. "We plan to promote Bulgaro-Yugoslav relations on the basis of the principles of non-interference in internal affairs, of the Paris Charter", it is pointed out in the declaration.

The declaration expresses the hope that the Yugoslav peoples will succeed in their transition to a modern society and stresses the fact that only they can choose the form of their state government.

Slovak Daily Views Passing of Power-Sharing Bill*AU1912111990 Bratislava NARODNA OBRODA
in Slovak 14 Dec 90 p 3*

[Jan Fuele commentary: "Surprise Only for the Uninitiated; On the Vote on Division of Powers"]

[Text] The majority of Czech and Slovak dailies write about the outcome of the voting in parliament on powers for the republics as though it were a big surprise. This is an error which should not be allowed to mislead the public. The deputies who entered the federal parliament building on 11 December were different people from those who left it one day later.

Although the two days [of the debate on the power-sharing bill] were marked, at least outwardly, by endless discussions before television cameras, everything substantial happened behind the scenes. None of this was changed either by the speeches of Milan Knazko, Milan Cic, and Michal Kovac on behalf of the Slovak side, which all had a uniform and unifying motive, or by the contradictory words of Czech Deputies Richard Sacher, Frantisek Zukal, and Karol Stome. The first group of deputies presented the Slovak readiness to live in a common state with Czechs even at the cost of certain modifications of the original ideas of Trencianske Teplice [where the three governments first agreed on the transfer of powers from the federation to the republics]. The second group represented, above all, the diversity of the Czech political spectrum. It is therefore understandable that some Czech deputies were waging a struggle for big powers for the federation, forgetting that powers for the Czech Government, too, were at stake. This government is in a very difficult situation in Prague as many citizens of the Czech Republic still regard primarily the Federal Government as their own government. The position of Petr Pithart, too, is not enviable. He defends not only powers for his government but also himself in the face of the growing wave of anticommunism. In the first phase of the anti communist wave it was primarily Marian Calfa who was its target. Now even former reform communists—Dubcek, Jicinsky, and Pithart—come under fire. In this situation Petr Pithart is trying to do everything conceivable [to save his position]. Last week he even convened an extraordinary meeting of the Czech National Council and tried to win points in the Czech Republic. True, the reaction in Slovakia to his speech was not all that favorable but this was irrelevant to him.

After Pithart's speech to the Czech National Council, there was intense expectation of a possible contribution by [Slovak] Prime Minister Meciar to the debate in the Federal Assembly. Although Meciar was perhaps the most closely watched and most frequently photographed deputy during the two days of the debate, he chose not to speak in it. After some of his public statements, which can rightly be regarded as rash and untactical, this time he acted correctly. He concentrated on far more important things, on the above mentioned talks in the lobbies.

The talks with the Civic Forum's democratic right, which was represented also by Vaclav Klaus, probably turned out to be crucial. It is only a journalistic assumption but I dare say that these talks probably had the decisive impact on the outwardly surprising outcome of the vote. Of course, this is not meant to belittle the role which Alexander Dubcek, Jozef Baksay, and Ernest Valko took upon themselves when they visited the deputies' clubs immediately before the voting started.

Now that the powers for, and let us say that once again, both republics have been approved, many people believe that the federation has been saved. They are wrong. We have only just started building it.

Debates Continue Over Presidential Power Increase**Fuele Comments on Havel's Demands***AU1912110890 Bratislava NARODNA OBRODA
in Slovak 15 Dec 90 p 3*

[Jan Fuele commentary: "Presidential Powers—A Move Toward More Power"]

[Text] Those who attentively observe the actions of President Vaclav Havel in office have long been asking whether we are not deviating from nascent parliamentary democracy toward presidential democracy. Of course, we should disregard those critics who only point to the new uniforms of the Castle guard or the luxurious BMW cars.

Since long ago, Vaclav Havel has been purposefully building his cabinet, which—despite its original name, the Office of the President of the Czech and Slovak Federal Republic—is, in fact, a shadow cabinet. While its (formal) powers are small, its influence is great. The Bratislava office cannot be classified as an important aspect of the Office of the President because it has no permanent employees and Vaclav Havel fills it with personnel only during his visits to Slovakia.

Now, having quietly established his cabinet, the president demands more powers from the federal parliament—only until the new constitution of the federation is passed, we must add. However, a question arises: How will his new powers influence the preparation and the enactment of the new [national] constitutions?

The proposal for increased powers is being drafted at the Castle. So far, there have always been great problems in parliament with the draft laws coming from this "workshop." Let us recall the problem with the name of the state, or with the state emblem. Apart from this, deputies will not willingly delegate a part of their powers to one person, especially when they vehemently demanded their right to change the competence bill just a few days ago, and were jealous of the deputies of the national councils who were not deprived of this right. It is probable that, after the new constitutions are enacted,

the Federal Assembly will lose its exclusive position and the deputies in national parliaments will do the most of the work.

In this connection, the deputies from the Federal Assembly can also consider how the president used his existing rights in the past. For example, he has never used his right to chair a meeting of the Federal Government and he participated in parliamentary debates only when he had decided to speak to parliament. Now, he is demanding more powers, and even if he has not specified them, despite a number of appeals to do so, it is very likely that, for example, the right to veto the Federal Assembly laws, is involved.

Beside this, the president underestimated the reaction of his voters in Slovakia. While asserting greater powers his position will not be strong among Slovak voters. According to independent polls conducted by the Methodology and Research Section of the Slovak Radio, up to 75.9 percent of 1,575 respondents older than 15, do not agree with granting greater powers to the CSFR president.

And—consent cannot be forced by decree.

Czech Parties Present Different Views

LD1812223890 Prague CTK in English 2144 GMT
18 Dec 90

[Text] Prague, 18 Dec (CTK)—The Czech political parties represented in the federal parliament have different views on the demand of Czechoslovak President Vaclav Havel to strengthen temporarily his powers.

The Civic Forum thinks that the strengthening of the powers which the president demanded in parliament on December 10 with the aim to prevent the crisis over the division of powers between the federation and the Czech and Slovak republics is a logical step as the president's office must remain to be an important integrating factor in the society.

Czechoslovak Deputy Prime Minister Pavel Rychetsky has recently said that the president should have the right to issue decrees at a time when a legislative body is not constituted, to delay the coming into effect of a law and return it to parliament to discuss it again. He should have the right to appoint a caretaker government in case normal mechanisms failed to function. The Civic Forum thinks that these powers do not exceed the powers of presidents in advanced democracies.

The right-wing Czechoslovak People's Party has taken a restrained stand. Its spokesman says that laws referring to the situations mentioned by Rychetsky are in effect nowadays.

A spokesman for the Czechoslovak Communist Party says that Czechoslovakia should continue to develop as a parliamentary not as a presidential republic. Efforts should aim at developing parliamentary democracy which is more promising rather than at "strengthening authoritative control of the state."

Right-Wing Parties Demand Trials for Communists

AU2012110090 Prague LIDOVE NOVINY
in Czech 17 Dec 90 p 2

[Unattributed report in the "Domestic News" column: "Collective Guilt Again"]

[Text] Brno—"The political and social life in our native land is being bolshevized again," reads the statement by the 17 right-wing parties and movements in the CSFR—the third collegium of which took place in Brno on Saturday [15 December]. They demand, among other things, that anybody who, at any time in his life, was a member of the Communist Party of Czechoslovakia, not be allowed to occupy any position in public life. Members of the Communist Party of Czechoslovakia or Slovak Communist Party Central Committees, and regional and district secretaries should answer before a court of law for the devastation of our republic and for the crimes against the people of this country.

The collegium expressed its support for the Constitutional Court bill but it disagrees with any extension of the powers of the president. It supports the developments in the Civic Forum [OF] indicated by the working assembly in Olomouc. In addition, the collegium tends to agree with the land bill submitted by an initiative of a deputy group, it demands that the law on cooperatives be quashed and property dating back to the time before 12 July 1947, i.e. prior to ploughing away the first balk, be returned. "We demand that all personal as well as real and intellectual property of former entrepreneurs and owners be returned physically in all instances and only then, according to the wish of the owner, settled in cash or in the form of share coupons. As a matter of principle, we demand that everything stolen be returned, regardless of the form the theft took," the closing statement says further. Among the participants of the collegium were: Olomouc and Brno OF Councils, Republican Party of the Czechoslovak Countryside, Bratislava and Brno Technical Support Battalions, Czechoslovak National Congress of Bratislava, Czechoslovak People's Party, Club of Nonaligned Activists, Free Bloc, Republican Union, Liberal Democratic Party, Public Against Violence [VPN] movement of Bratislava, and others.

[Prague LIDOVA DEMOKRACIE in Czech on 18 December on page 1, under the headline "Dementi," publishes a 200-word denial of the validity of the ratification by the Czechoslovak People's Party of the above statement from which it dissociates itself fully. On page 2 of the same paper under the headline "It Is All Different," a 100-word statement is carried by a press spokesman of the Olomouc OF Coordinating Center, who declares that the Olomouc OF Council has not expressed its agreement with the above statement and it did not authorize any of its members to take part in the collegium.]

Communist Spokesman Rejects Mohorita's Remarks*AU1912153090 Prague LIDOVE NOVINY
in Czech 18 Dec 90 p 2*

["(R)"-signed report: "Infamous Political Sense"]

[Text] Prague—In a statement issued yesterday P. Vilhelm, press spokesman for the Communist Party of Bohemia and Moravia [KSCM], distanced himself from remarks made by V. Mohorita at a news conference involving Communist Federal Assembly deputies. He distanced himself in particular from the announcement of an internal party referendum on changing the Communist Party's name. He stated that in the very near future such a referendum will not be suitable. According to P. Vilhelm, these remarks exclusively express V. Mohorita's own opinion and demonstrate precisely "both his infamous political sense and also his understanding of this party's identity within the context of this country's entire political scene." P. Vilhelm assures LIDOVE NOVINY readers that the KSCM wants to be a genuine left-wing party, which primarily means a politically intelligent party.

Intelligence Service To Change Name, Structure*LD1812170690 Prague CTK in English 1541 GMT
18 Dec 90*

[Text] Prague, 18 Dec (CTK)—The name and structure of the Office for the Protection of the Constitution and Democracy (intelligence service) will be changed and its staff reduced by 1,500 people, Czechoslovak Deputy Interior Minister Arnost Kohut told a press conference here today.

Kohut declined to give the present staff numbers in the office which was set up last spring with the aim to take over some functions of the former "STB" secret police but in a modified form adjusted to the latest changes in this country.

First Deputy Interior Minister Jan Ruml told newsmen that there are about 1,100 refugees (40 of them from the USSR) in four camps in Czechoslovakia at present. Several dozen refugees are living outside the camps but they have to have a certificate that someone takes care of them.

Ruml said that Czechoslovakia is a transit country for the refugees. Referring to the expected influx of Soviet refugees into Czechoslovakia and other European countries, Ruml said a solution to this problem was an affair of the whole of Europe. Czechoslovakia will cope with the refugee wave with a law on refugees (passed by the parliament in November and coming into effect in January) and with special measures. In the case of a huge refugee wave across the "green border", corridors will be formed at the Czechoslovak-Soviet border, through which refugees will be diverted to camps where they will be given assistance. Border guards along the border with the USSR have been reinforced and similar measures will be taken on the Czechoslovak-Polish border.

Ruml stated that the refugee issue will be discussed by Czechoslovak Interior Minister Jan Langos in Moscow in the new year. His talks are expected to result in the cancellation of an agreement on cooperation between the Czechoslovak Interior Ministry and the Soviet KGB security service and its replacement by an agreement between the interior ministries of the two countries.

Budget Rules Approved, Parliament Adjourned*AU1812142790 Prague HOSPODARSKE NOVINY
in Czech 14 Dec 90 pp 1,16*

["(jp, ha)"-signed report: "Federation: A Belt on the Last Hole; Laws on the CSFR Budget Rules and Strategic Planning Debated in the Federal Assembly"]

[Excerpts] Two important laws—on the budget rules of the federation and on strategic planning—were on the agenda of yesterday's joint meeting of Federal Assembly chambers. [passage omitted]

In explaining the draft law on the budget rules of the federation, CSFR Finance Minister Vaclav Klaus described the delineation of the revenues of the budgets and the budgets' separation and independence as the basic principles of the law. Redistribution, under which the federal budget operated as the supraordinated budget subsidizing the republican budgets, is a matter of the past. The federal purse will receive taxes which clearly belong to the state as a whole, such as customs duty. The so-called "joint taxes"—i.e. proportions of the sales tax, the profit tax, etc.—will account for the bulk of the federal budget's revenues. V. Klaus paused to explain the agreement on the formula according to which proceeds from these taxes will be divided among the budgets—35 percent for the CSFR budget, 40 percent for the Czech Republic budget, and 25 percent for the Slovak Republic budget. The original draft foresaw only a 30 percent share of the federation in the proceeds from these taxes. The territorial principle (i.e., the division of proceeds between the republics according to where they originated) proved to be unfeasible, according to the minister of finance. He described the entire law as a temporary solution because the view of the whole problem will be significantly changed by the newly drafted Constitutions, by the transformation of the economy into a market-based model, as well as by the reform of the tax system.

Already the first speaker in the debate on the draft law, Deputy V. Tomis (Movement for Self-Governing Democracy—Society for Moravia and Silesia) expressed surprise at the fact that the law on power-sharing, passed only the day before, does not find an accurate expression in the draft as the draft does not delineate the revenues of the federation and the republics according to the territorial principle. He voiced the opinion that the redistribution in favor of Slovakia is not fair and that these matters are being deliberately obfuscated. He demanded that these processes be made clear by the statistical office and financial bodies. [passage omitted] Other deputies, too, disliked the formula according to

which the budget's revenues are being distributed. Some deputies anticipated the debate on the 1991 budget, scheduled to be held a week later, and addressed to Minister V. Klaus questions concerning revenues of the budget, including foreign loans. The minister replied to these questions, nonetheless. Speaking about the implementation of this year's budget in the January to November period, he noted that at the end of November the budget surplus amounted to 5.9 billion korunas. As the originally approved budget provided for a 5.4 billion surplus, a contingency reserve of 0.5 billion korunas exists for December, which is the most uncertain month. As regards the accepted loans, particularly from the IMF, he said that no conditions are being attached to these loans as far as the rates of inflation or unemployment are concerned. The IMF controls compliance with the budget surplus and, on a quarterly basis, it also assesses how these conditions are being met. V. Klaus considers the 35 percent share of the federation in tax proceeds to be the lowest possible revenue for the federation's continued functioning. On the issue of the Federal Assembly's so-called social contingency reserve in the CSFR budget, he announced to the deputies the sad fact that, following negotiations with the republics, nothing is left of this reserve.

The dramatic moments of last year's budget debate when Minister V. Klaus had to defend before deputies the sums appropriated for health care, education, culture, ecology, etc. will not be repeated this year because none of this will be within the jurisdiction of either the Federal Government or the Federal Assembly. Replying to Deputy J. Kincl, who voiced the fear that the state might issue bonds and thereby increase the state debt, Minister Klaus said that the surplus of the state budget obviates the need for anything of that sort and that the emission of bonds is not a topical issue. As far as the "Principles of Structural Policy" is concerned, a document which had been drawn up by the CSFR Ministry of Economy and which foresees federal support for certain programs in which the state will be interested, Minister Klaus said that federal support for such programs is virtually impossible and out of the question because there are no funds left in the federal budget for such plans. Structural changes will be implemented exclusively by the republics. Replying to the remark of Deputy Jiri Schneider (Civic Forum [OF]) that the budget and monetary policies must be in harmony, Minister Klaus explained that, quite to the contrary, monetary policy must be totally independent. This will become evident in a few days when parliament will receive the draft law on the state bank.

Following a comprehensive explanation of the draft, the deputies proceeded to vote. In the chamber of nations, the votes of 38 deputies from the Czech Republic were needed for the law to be passed. The figure 36 appeared on the electronic display board, which caused a tumult as five deputies voted neither for nor against the law nor did they abstain from voting. [passage omitted] After a second vote, the law on the budget rules received the requisite majority of votes but an unpleasant feeling

remained, a feeling which called into question the entire voting system and, hence, also the approved law. [passage omitted]

Another item on yesterday's agenda was the draft law on strategic planning. It was submitted by Milos Zeman [OF] on behalf of a group of deputies which initiated the law. In his explanatory statement Milos Zeman stressed, above all, that all advanced countries deal with strategic issues and base the development of society on the prognosis of future development and its risks and opportunities. [passage omitted] An important clause of the law abolishes national economic planning (the law on which is still valid). The approval of the submitted draft was recommended by both joint reporters—Jozef Baksay (Public Against Violence [VPN] movement) for the People's Chamber and Peter Kulan [VPN] for the Chamber of Nations. Peter Kulan described the law as the last nail in the coffin of planning.

The subsequent debate was marked by a completely different spirit, however. Members of the OF's democratic right, in particular, understand this law as a return to socialism. Pavel Bratinka, for example, called it a dragon's egg and described the law as unacceptable and ominous. [passage omitted]

Milan Jurceka, deputy minister for strategic planning, explained to deputies how strategic planning is regulated in the world. In some countries this is done legislatively (France, South Korea, Japan, other countries), in other countries there exist strong institutions operating, for example, under the wings of the Ministry of Economy. This is the case in the FRG, for example. Yet strategic planning exists in all countries with a fully functioning market economy.

During the vote, the plenum gave support to the only compromise proposal made in the debate (all other speakers either clearly endorsed or rejected the draft). It was submitted by Pavel Dostal [OF]. Under the proposal, the debate on the proposed law was interrupted and will be continued at the next joint meeting of Federal Assembly chambers so that the Federal Government has a chance to deliver its opinion on it. The plenum also decided that the draft of the Federal Assembly rules of procedure, too, would be discussed only at the next joint meeting.

Parliament Committees Discuss 1991 Budget

*LD1812192890 Bratislava Domestic Service
in Slovak 1730 GMT 18 Dec 90*

[Text] Today, individual committees of the parliament had their last meeting before the 10th joint session of the two chambers of the Federal Assembly. Their members mainly discussed the chapters of next year's budget. The defense budget, which was approved by the Federal Government and which amounts to about 28 billion crowns, is approximately nine percent lower than last year, said Deputy Minister of Defense Antonin Rasek

shortly after leaving the room, where there was a session of the deputies from defense and security today, without press participation.

Members of the plan and budget committees discussed the government-sponsored draft bill on next year's state budget of the federation. Next year's budget of the Office of the President of the Republic should go up by 98 million crowns. This was recommended by the members of the constitution and legal committees, who also proposed that this sum be remunerated from defense budget cuts. If the whole parliament endorses the proposal of constitutional and legal committees, the castle will have at its disposal 315 million crowns next year.

Environment Not Included Among Budget Priorities

*AU1912080790 Prague HOSPODARSKE NOVINY
in Czech 14 Dec 90 p 2*

["aa"-signed report: "Shall We Sell the Tatra to Americans? From Minister J. Vavrousek's Meeting with Ecological Initiatives"]

[Text] According to a decision of the Federal Ministry of Finance, the Federal Committee for the Environment will avail itself of a mere 100 million korunas next year (an additional 184 million korunas have been appropriated for the construction of new boiler rooms and 6.5 million for the construction for a sewage treatment plant in the government's castle at Kolodeje).

According to the concept of restrictive financial policy adopted for next year, the environment is not included among the priorities and Minister Klaus is of the opinion that it can be improved only when we can afford it. We therefore depend, more or less, on foreign assistance, which is not too generous. These and other problems were discussed by J. Vavrousek, federal minister of the environment, at a meeting with representatives of ecological initiatives Wednesday [12 December] night.

The preparation of ecological laws was also discussed at the meeting. The laws on waste and the atmosphere will be submitted to the Federal Assembly in January and the law on the environment in February. All these laws will be far stricter than their predecessors and will be in harmony with the EC legislation.

And one "gem" to end with. As we learned at the meeting, a preliminary agreement has been signed in the Slovak Republic with one U.S. company on the establishment of the so-called Tatra Development Company, which is interested in taking over the administration of all tourism facilities in the High Tatra. Will the Tatra become American?

Defense Committees React to Military Budget Cuts

*AU1912151690 Prague ZEMEDEL'SKE NOVINY
in Czech 15 Dec 90 p 1*

[Jan Subert report: "The Army's Existence is at Stake"]

[Text] The military budget and the concept for the Army resulting from the newly formulated defense doctrine

were the issues discussed at yesterday's session of the parliamentary Defense and Security Committees. The discussions were held behind closed doors; however, we managed to acquire some information.

The deputies reacted to the government approved draft for reducing the military budget by 9.4 percent. Of course, if we project into this the restrictions imposed by other influences—in particular, price adjustments—it is necessary to add that the restrictions imposed on Army expenditure in fact represent 20 percent. Therefore, the demand made in the committee to cut the budget by another five percent proved to be practically unacceptable in the debate.

According to statements made by the representatives of the Defense Ministry who were present, any further reductions in military expenditure would gravely threaten the Army's operations and mission and it would be possible to contemplate its dissolution. The plans for professionalization would be completely blocked and insoluble problems would arise in connection with rear-echelon support, catering services, and the payment of salaries; this would result in the loss of the Army's capability to effectively confront possible military actions against our country.

However, a suggestion for further cutbacks in the Army's command levels—which follows up on an existing Defense Ministry plan—and a suggestion to eliminate organizational elements structured like the Army and military units were described as thought provoking by Army experts. The deputies' proposal to establish brigades and battalions instead of divisions and regiments was given a very positive reception and will be elaborated in the General Staff.

Apropos the subjects discussed at yesterday's meeting, Deputy Defense Minister Antonin Rasek gave a short interview to our newspaper. Among other things, he stated: "Next year the number of Army personnel will be reduced by 37,000; by 1993 it will be reduced by 63,000 people. The troops will be relocated and West, Central, and East headquarters will be established. The Army's presence in Slovakia will be increased; approximately 35 percent of the troops deployed in the federation will be based there. In this connection, an effort is being made to accelerate the transfer of troops to the Slovak Republic, however, much depends on the military budget."

According to the deputy defense minister, the deputies favorably accepted and support the proposal to adopt a law in mid 1992 on the length of military service. Following the completion of all the organizational changes in the Army, basic military service would be shortened to one year.

Defense Officials Meet Press on Budget Cuts

LD1912145990 Prague CTK in English 1426 GMT
19 Dec 90

[Text] Prague, 19 Dec (CTK)—Representatives of the Czechoslovak Defence Ministry told journalists today that the Army will not be modernized in the next few years because of a lack of money that may also affect its intended relocation. They said that should the restrictive policy against the Army continue, Defence Minister Lubos Dobrovsky will ask parliament if there is any sense in Czechoslovakia continuing to have an Army.

Nine per cent cuts in military spendings in 1991 in comparison with 1989 (from 34,000 to 31,000 million crowns) were announced already in autumn. During yesterday's debate of next year's budget some Federal Assembly deputies proposed another reduction by 1,500 million crowns. The officers believe that this would have serious consequences especially with regard to the planned relocation of Czechoslovak Army Units. The Army is to be evenly distributed across Czechoslovak territory in accord with a new Czechoslovak military doctrine which will not be based on the existence of a specific enemy. So far the largest concentration were on Czechoslovakia's western borders with the former West Germany. The relocation will require money especially to prepare new sites for units in the Eastern Regions of Czechoslovakia and to build houses for officers and their families.

The military representatives said that the Czechoslovak Army should have some 200,000 men and officers at present but it remains far under this number. 10,000 career officers left the Army this year alone and 19,151 recruits have applied for substitute civilian duty, 16,477 of whom will serve it. Others left the Army after completion of their basic military duty.

The representatives announced that between December 28 and 30, Czechoslovak Army aircraft will transport some 20 tons of material, mainly foodstuffs, for the Czech minority in the area of Chernobyl in the Soviet Union where a nuclear power plant accident occurred in April 1986.

Dobrovsky Discusses Army Structure, Intelligence

AU1812135290 Prague MLADA FRONTA DNES
in Czech 13 Dec 90 p 3

[Interview with Defense Minister Lubos Dobrovsky by Karel Hvizdala; place and date not given: "A New Army Within 36 Months"]

[Text] [Hvizdala] What situation were you in and what did you think when you were offered—as a civilian—the post of defense minister?

[Dobrovsky] I think the issue of what I thought and of my innermost feelings is not at all important. The kind of task I was given, whether I want to fulfill it, and

whether I can fulfill it are the important issues. Parliament scrutinizes this, the government scrutinizes this, and the public scrutinizes this.

[Hvizdala] Exactly what kind of task were you given?

[Dobrovsky] My task is as follows: To take on the defense ministry and to oversee it in such a way that the Army—which just a few months ago was a repressive organ of the totalitarian system—as quickly as possible and with as much quality as possible begins to change into an army for a democratic state. The Army must be capable of fulfilling the basic task it has been given: To protect the sovereignty of the state and its territorial integrity and to protect its citizens. At the same time, however, the Army must not be destabilized to such an extent that it loses its operational ability. It is obvious that substantial personnel changes will have to be made, that its structure will have to be transformed, and that the Army will have to be relocated. In the past the Army's tasks were specified not only as defensive tasks, but also as offensive tasks. The Army had established front-line units and had reckoned with the fact that it would be an element of the more complex military system of the entire Warsaw Pact; we have been set the task of decisively changing this system. A new military doctrine—which specifies that the Army's tasks are strictly defensive ones—will result from this consideration of our new tasks. All the consequences which ensue from such a concept have been worked into the plan for restructuring the Army. Individual steps involved in this restructuring are relatively demanding from the point of view of time and are also demanding on the budget and on investments. The first step has been drafted into a period of 36 months. At the end of this year, the Army will have approximately 60,000 fewer established positions, this means that it will have approximately 140,000 men—soldiers, noncommissioned officers, and officers.

[Hvizdala] How many of these soldiers will be in actual military service?

[Dobrovsky] Our Army will be professionalized by more than 50 percent.... We will have far fewer weapons. The ceilings on weapons in vital defense systems—in aircraft, tanks, combat infantry vehicles, artillery, armored transport vehicles, and helicopters—have been determined by the agreement reached in Vienna. The important task of dismantling the remaining weapons awaits us. This is demanding on time, on labor, and on finances.

[Hvizdala] Can they not be sold?

[Dobrovsky] It was agreed that it would only be possible to conclude contracts on the sale of weapons up to the moment when the Paris agreement was signed. That agreement has been signed. Despite this, we can perhaps sell off some weapons thanks to old agreements. However, this is a foreign trade matter, not an Army matter.

[Hvizdala] Is it impossible to convert some aircraft to civilian....?

[Dobrovsky] It is impossible to convert aircraft for civilian use. Only some noncombat helicopters can perhaps be converted. Of course, these will be used in the rescue system, in the air ambulance service, in the patrol service, and in ecological services.

[Hvizdala] Can we somehow be more specific about these arms reductions?

[Dobrovsky] For example, a reduction of approximately 2,000 is envisaged for tanks.

[Hvizdala] From what number? Is it possible to make this public?

[Dobrovsky] It is possible, but I will not say anything off the top of my head now. I also think that it is not so important. It is important that the Czechoslovak delegation was the most flexible delegation at the preliminary disarmament talks held in the Warsaw Pact commission convened to discuss national ceilings. Some other member states—first and foremost, Romania and Bulgaria—had no intention of reducing their ceilings to the previously agreed level. On the contrary. They demanded a higher ceiling in contradiction to the original number.

[Hvizdala] Were they somehow justified in this?

[Dobrovsky] Their arguments were as follows: They are on the southern end of Europe and are exposed to certain pressures. We stand by a different principle: A guarantee of trust via the institutionalization of the Helsinki process has to be attained. Along with the defense systems, which have a dimension of reasonable sufficiency, we have to gradually establish ever greater guarantees for security in Europe in the sense that a deterrent would be created making attack pointless because it could not be brought to a reasonable conclusion. Therefore, all armies must be based upon a capability minimum which would only permit defense. We are also moving in this direction. Of course, this does not mean that we can be at all content with the current high-tech situation within the Army. On the contrary.

[Hvizdala] If I understand correctly, our Army was large and had a great many tanks, but it was in fact—just like the whole country—lagging behind the European standard.... In what kind of state was our Army?

[Dobrovsky] The chief of the French General Staff assured me yesterday that Soviet-made defense systems are not so out-of-date as many people—including myself—had thought and still do think. He maintained that the standard of Soviet-made weapons was sufficient to gain the respect of West European Army representatives. The obsolescence level is a very complicated issue in armies in general. Where will we come across this obsolescence? Our Army was most backward of all in the way it perceived its tasks. It defined them as defense against an enemy which, in fact, did not exist. This was merely contrived from ideological slogans. The threat of danger from other countries was completely neglected.

The new military doctrine—and the plan for the Army's restructuring resulting from it—understands the need for all aspects of defense. I would be pleased if the new laws concerning the Army—these are the law on defense commitments and the law on the Army—would contain legally well-formulated tasks for the Army in the sense that the Army should always be utilized wherever our citizens' health and safety and the state's property are significantly threatened. This could be as a consequence of a natural disaster or of a technological catastrophe; during this turbulent age, such a situation could arise when an immigration avalanche begins to stream from a neighboring country. The Army was not prepared for such an event and is still not fully prepared in the complete sense from the point of view of legislation. So, when we talk about lagging behind, I have in mind lagging behind in thinking. We are now entirely dependent on ourselves, we are not entering militarily into any pacts or alliances, and we have no agreements on mutual military assistance. Therefore, the Czechoslovak Army itself has to defend this country's territory and it remains up to us to construct our air defense system anew and to deploy it throughout our territory. This is rather expensive equipment.

[Hvizdala] What was the situation like previously?

[Dobrovsky] Defense was previously only oriented toward the West, but now it is necessary to protect Slovak territory and to protect Moravian territory.

[Hvizdala] Although we now want to be left to ourselves, this depends on where we purchase our weapons and on who manufactures them, because we will be a little dependent on them.... How is this situation being conceived?

[Dobrovsky] This is being conceived relatively simply. At the moment, we have no other choice but to continue using those weapons the Army already has and to conduct ourselves in such a way that we do not have to expand them too much. We are drafting a report on the basis of which we will attempt to implement the purchase of other defense systems.

[Hvizdala] From where?

[Dobrovsky] Where it will be most advantageous for us.

[Hvizdala] Financially?

[Dobrovsky] Where it will be most advantageous from all points of view. The first criterion we are specifying is a high-tech criterion....

[Hvizdala] Is economic and strategic expediency more important than political speculation?

[Dobrovsky] No political speculation is involved. A single political consideration for the future is fundamentally involved in this: The obligation to protect this country from possible attack. We are certain that, by whatever supplies we purchase from whatever supplier, we are committing ourselves politically. Today is not the

time for us to commit ourselves politically. Moreover: If we purchase defense systems—we also purchase the technology for making repairs—we will purchase a sufficient number of spare parts in order to cover ourselves throughout the systems' service life. In this sense, we are not even too dependent on Soviet supplies. We reckon that within three years at least the entire defense system in our country will be stabilized. In the more distant future we envisage the purchase of new more modern defense systems. In some sectors—combat infantry vehicles and tanks—we are capable of manufacturing very modern equipment ourselves which we could supplement with modern electronics.

[Hvizdala] Let us return to this question: In what kind of state did you find our Army?

[Dobrovsky] I have nothing to make any comparisons with; I had never previously managed any defense ministry, but I have some comparisons to make within this country. I assume that I found the Army and the Defense Ministry in approximately the same state as all the other organisms in this country. That is, in a state of great uncertainty and in a state of transformation. I arrived following 10 months of specific activity. This ministry was headed by a qualified specialist, by a soldier who from the very beginning—when he became defense minister—started restructuring the Army in the way I have been speaking about. There were certainly some delays in personnel policy. I am now dealing very intensely with speeding up personnel matters. You know very well that I suspended regular performance reports within the Army because it did not seem to me that they could lead to an improvement. I requested the parliamentary Defense and Security Affairs Committee to establish a commission—or several commissions—jointly with me which would conduct relatively extensive reviews of the results of the performance reports in the most senior posts in the Army, right up to the commander of a regiment.

As soon as we carry out a sufficiently convincing investigation, we will see from the results of the reviews if the performance reports were more or less in order or whether, on the contrary, the results cast doubts upon the reports. Then, we will have to find a new method of conducting performance reports and of looking into the justifiability of retaining specific individuals in specific posts. We will see whether the results are sufficient for us to be able to take a deep breath and say that the overwhelming majority of officers are the right men for their jobs. We will make a decision about those who are not right for their jobs. We will either transfer them to some other posts or we will ask them—this will be very difficult from a legal point of view—to try and find a job somewhere else outside the Army. I would like every commander to bear the responsibility for evaluating his subordinates. I would like him—within his authority as a commander—to also have responsibility for making sure that a person who can be relied upon is doing a specific

job; if not, he will fail with him. He will certainly not allow lazy or incompetent people to remain in the lower ranks.

[Hvizdala] I would like to return to the Warsaw Pact. We are still linked to the Warsaw Pact system via all our telephones and transmitters. Or, has this come to an end and is it impossible for them to gain access to our network?

[Dobrovsky] They cannot gain access to our network. We have certain communications which still exist; however, these are formal communications which are used, for instance, when the minister calls the CSFR Embassy in the Soviet Union. This telephone links the capital cities of the member states of the crumbling Warsaw Pact. These are telephones over and above the central exchange and are absolutely open. No secret information can be passed this way. We still have communications in specific sectors. We have them in air transportation because in some instances flights to certain Soviet airports—for instance to Uzhgorod—come across our territory, so there has to be some communication. At the ministry there is a small group of Soviet officers who are representatives of the still extant allied command headquarters. I have met twice with a representative from this group. I first met him when I came into office and then during the negotiations on the removal of the Soviet Army's strategic supplies located on our territory. During this second occasion, the representative from the allied command headquarters spoke in favor of the Czechoslovak Army. I have to praise his attitude very much. They no longer have any contact with our Army and the headquarters is being wound down. They will be withdrawn in the very near future.

[Hvizdala] After dissolving the counterintelligence service you began establishing another similar unit. How does this look now? How do you defend yourselves against foreign enemies?

[Dobrovsky] Following the dissolution of the military counterintelligence service, we began establishing a unit which does not resemble the former military counterintelligence service in anything. The military defense intelligence system has the task of protecting the Army against any kind of destructive act on the part of anyone. It is also necessary to protect the Army from within in the sense that someone could want to subvert the Army from within in the interest of someone else. The military defense intelligence system does not have too many staff. At the moment, it is composed of approximately 80 people.

[Hvizdala] What was the original number?

[Dobrovsky] It was originally about 800. It is envisaged that the final number of staff in the military defense intelligence system will be around 180. Apart from this system, which is directly subordinate to the minister, we are also establishing a military police force. This will deal with criminal activity within the Army and with traffic control. It will have approximately 1,000 officers. We are

establishing it economically, but also so that we can achieve our necessary aims. In post-revolutionary periods such as the one we are living through, there is less discipline. There is also an increase in criminal activity which has very unfortunate consequences such as the loss of materials and so on. We have been forced to establish in advance a group to help in the struggle against crime, to engage in crime prevention activities, and to carry out research activity. An inventory of all supplies is currently being made in the Army. I will issue an order which details obligations for keeping supply records and their supervision and I am recommending far more severe punishments and sanctions—first and foremost, financial sanctions—wherever negligence leads to shortcomings in the records, in their supervision, and in protecting supplies. The problem lies in the fact that people come into the Army who are potentially aggressive. Aggression also leads to bullying. Informal groups are set up where the organizational principle is the level of aggression. Whoever is most aggressive stands at the front and whoever is incapable of protecting himself from it stays somewhere at the back. There is even a tradition of bullying in the Army. Second year soldiers are somehow traditionally predestined to bully those who enter into military service as new recruits.

I have issued an order that every reference to or information about bullying from parents or from soldiers will be treated as a suggestion leading toward the initiation of criminal proceedings in the matter. We want to ask the public—not because we would like to get rid of the responsibility for finding a solution—to help us. We would like parents to explain to their children not only that they do not have to give into bullying, but they should also remind them that they should not take part in bullying. The main thing is that they should not allow themselves to be bullied. They should not allow anyone to get away with casting aspersions on my authority. It is necessary to confront this. In the Army we have to create such a situation that when people stand up to bullying they are rewarded. They could be rewarded in the sense that we will refer to them as strong-willed people, as people of high moral standing, and as citizens who are aware of the fact that they have to stand up for human and civil dignity.

[Hvizdala] This will never work in the Army if it does not also work in civilian life....

[Dobrovsky] These issues are interconnected; however, I emphasize once again that the Army does not intend to get rid of its responsibility for dealing with bullying. The chief of the French General Staff assured me that he came across this in the French Army the very moment he entered the military academy. This is not very comforting, but I only want to say that it is not a specific Czechoslovak problem.

[Hvizdala] What about the Army and the federation?

[Dobrovsky] There is no problem here. The jurisdiction law did not cast the slightest doubt on the Army and the Army is considered to be a vital element in defining the sovereignty of this state as a federal state. No one has had any doubt about the need for a single army defending without exception the CSFR's entire territory. The Army is a federal army; it has a single command and its supreme commander is the president of the Republic. A Federal Government minister heads the ministry. The Army's role is defined by the CSFR Constitution and the defense law. No one has even thought about any other role for the Army. However, the tendencies of some officers in Slovakia who—as I have been informed—are attempting to establish some kind of Union of Slovak Officers have caused me to have certain doubts. These doubts consist of the fact that I do not understand the purpose of such behavior. As soon as I begin to understand it, a shiver runs down my spine.

Chemical Warfare Unit Arrives in Gulf

LD1912120790 Prague Domestic Service in Czech
1130 GMT 19 Dec 90

[Text] Colonel Petr Tax, press attache of the office of the Defense Minister, said at today's meeting with journalists in Prague that our antichemical unit has passed through the transit territory in Saudi Arabia and arrived at its destination. All members of the unit are well. The Defense Ministry is in regular contact with the unit.

Journalists were also introduced to Zdenek Bortovec, commander of the newly formed administration for contacts with the public, and he informed them about the concept of the administration.

Havel Receives Delegation Following Iraq Visit

LD1812170290 Prague Domestic Service in Czech
1300 GMT 18 Dec 90

[Text] Today, at Prague Castle, President Vaclav Havel received members of the mission of Army General Miroslav Vacek, who took part in the recent journey to Baghdad aimed at achieving the release of Czechoslovak hostages. Vaclav Havel heard a report on the mission's talks, and thanked its members for their efforts to obtain the release of our citizens held in Iraq. He noted with satisfaction that they did not violate the principles of our policy during their talks with Iraqi representatives.

Ne'matzadeh Heads Iranian Industry Delegation

Meets With Calfa on Bilateral Ties

LD1812173390 Prague Domestic Service in Slovak
1600 GMT 18 Dec 90

[Text] Prime Minister Marian Calfa today received a delegation of Iranian industrialists. The head of the delegation, Iranian Minister of Industries Mohammad Reza Ne'matzadeh, stressed during the ceremony that the Iranian partners are interested in further cooperation with us, not only in the economic sphere, but also in

education and culture. They are also interested in extensive contacts at parliamentary level. At the same time he recalled some problems with our enterprises in the past few years, particularly lengthy administration and delayed deliveries of spare parts. Prime Minister Calfa assured the members of the delegation that past difficulties should not be repeated, since our enterprises are beginning to conduct their economies according to natural economic rules and they will treat their partners accordingly.

An important item of mutual trade is natural gas, and also crude oil whose deliveries are exceptionally important for Czechoslovakia. However, agreement is necessary on methods of financing, because the Iranian side insists on abolishing the present clearing system.

Participates in Economic Meeting

LD1812220690 Tehran Domestic Service in Persian
2030 GMT 18 Dec 90

[Text] According to IRNA, our country's minister of industries, Mr. Ne'matzadeh, who is in Prague at the head of a delegation, took part on Tuesday in the first round of the third meeting of the Joint Commission for Economic Cooperation of the Islamic Republic of Iran and Czechoslovakia.

The Czechoslovak minister of economics represented his country at the meeting. The two sides explored the trend of their industrial and commercial cooperation and surveyed ways of expanding it.

Within the framework of the two countries trade agreement, it was decided that exchanges between Iran and Czechoslovakia should be based on foreign currency exchange. Our country's minister of industries and Czechoslovakia's minister of economics surveyed ways and means of exporting Iranian gas to Europe and Czechoslovakia. The two countries agreed on cooperation in the fields of setting up power plants, sugar mills, textile mills, and tire manufacturing plants.

The same report adds that Mr. Ne'matzadeh also met Mr. Marian Calfa, the prime minister of Czechoslovakia on Tuesday. They discussed bilateral ties.

Klaus on Cross-Border Traffic With Poland

AU1912113590 Warsaw ZYCIE WARSZAWY
in Polish 14 Dec 90 p 6

[Interview with Vaclav Klaus, chairman of the Civic Forum [OF] and CSFR finance minister, by Wojciech Wasilewski; place and date not given: "I Have an Internal Compass"]

[Excerpt] [Wasilewski] Do you agree with the view of part of the Polish mass media, namely, that you are the number one opponent to opening up the border between our countries?

[Klaus] No, I am afraid that portraying me in this way is the work of a few Polish journalists, or, perhaps, a few politicians. Last year, when the government was discussing who should be responsible for what in the country, it was proposed that I should be the cabinet representative responsible for relations with Poland. This was because my colleagues knew that I like Poland, that I have many friends there, and that the first time I went abroad, I went to Krakow.

So, when issues relating to the border appeared on the agenda, I had to represent the will of the government. If someone else had been the head of the delegation, he would also have represented the government's standpoint, and he would, therefore, have voiced similar or identical views. In light of this, it is unfair to label me Poland's number one enemy. Once again, I would like to stress that I have never adopted a stance that differed from that of the government.

[Wasilewski] Where, in your opinion, should one seek the sources of the intensification of what we could call the border conflict. On several occasions now, Poland has declared that it is the Czechoslovak side that is unwilling to open up the border or permit some modest traffic, and that it is also responsible for various bureaucratic obstacles....

[Klaus] I think that the Poles are inclined to dramatize the issue and attach more importance to it than it has in reality. I would like to point out that every day thousands of Poles come to Czechoslovakia, that is about ten times the number of Czechs and Slovaks that visit your country. This state of affairs is the result not only of the irrational nature of our economic systems, but also of ways of life. Under normal circumstances, people would not be able to spend so much time abroad, because they would have to work. This is not normal, and many people—to employ neutral language—use these trips to change their economic situation. Of course, this is true of many countries, but this aspect of our relations does have certain distinctive features. However, my assessment is not an expression of hostility toward Poland and the Poles, but a statement of the facts.

[Wasilewski] So, when in your opinion, will circumstances come into being that will make it possible to eliminate these barriers? Recently, you said that the talks that are in progress have become bogged down on several points....

[Klaus] I think—and I take this as the point of departure—that in light of what I have said one cannot consider the border a closed one. Per capita, there are more people crossing the border than, for example, the economically normal Franco-Italian border. It is one thing to ask about opening up the border, and another to ask when it would be economically rational to do so. In addition, one cannot exclude the possibility that our two presidents will meet, shake hands, and will decide to remove the barriers. However, viewed from the economic angle, the problem is much more complex. I say

this as someone who cannot get to sleep when he thinks about what will happen to our prices in 1991, about the convertibility of the crown and so on. The new year will see so many domestic shocks that complicating life even more by, let us say, opening up the border to a million Russians or Poles would be irrational.

So, if I were to answer your question, I would say that my feeling is that it would be wiser to wait until we are a few weeks into the reforms and until we have gathered some initial experience in this shock therapy. [passage omitted]

Minister Declares Austria's Safety Demand Unfair

AU1912140290 Prague CTK in English 2147 GMT
17 Dec 90

[Text] Prague, 17 Dec (CTK)—Czechoslovak Minister-Chairman of the Federal Committee for the Environment Josef Vavrousek said today that Austria's assessment of the state of the nuclear power plant at Jaslovské Bohunice, West Slovakia, was unfair.

Austrian authorities requested the immediate closure of the plant and said they would supply Czechoslovakia with energy.

Vavrousek said the federal committee will base its attitude on a Czechoslovak expertise, with a view to other assessments (by the Siemens firm and the International Atomic Energy Agency) which are in accord with opinions of Czechoslovak experts in substantial matters. A report will be submitted to the Federal Government next January.

Vavrousek said the main problem regarding the Soviet-made V-1 reactor at Jaslovské Bohunice is that it has not been proved that its parameters are of top quality.

Vavrousek said the chief task was to continue reducing energy consumption but even so Czechoslovakia will be dependent on nuclear power. In his opinion power generated by nuclear plants should not account for more than 40 to 45 percent of the total. He added that the question of dumping burnt fuel posed a real problem.

Joint Publishing Corporation Founded With FRG

AU1912153190 Prague HOSPODARSKE NOVINY
in Czech 18 Dec 90 p 15

["(AP)"]-signed report: "Springer in Our Country"

[Text] Representatives of A. Springer, one of the largest press magnates, have been looking for possible cooperation partners in our country. In the end, they made a decision in favor of Good Mood Studio [Studio Dobré Nalady]. They have founded a new corporation called Eurostudio. The German company has invested 60 percent of the capital and the Good Mood Studio has invested 40 percent. The subject of their publishing activity will be various kinds of publications. The first of these in the new year will be a magazine for motorists called AUTOTIP which is intended to be the Czech version of the well known AUTOBILD.

Dienstbier Addresses Assembly on Foreign Affairs

Reviews Achievements, Immediate Tasks

LD1812223190 Prague Television Service in Czech
2110 GMT 18 Dec 90

[Text] [Announcer] After the economic seminar of Minister Vaclav Klaus yesterday, the Federal Assembly deputies heard more important information today, this time delivered by Minister Jiri Dienstbier. He told the foreign affairs committees deputies about the achievements of our foreign relations and about the immediate tasks of Czechoslovak foreign policy.

[Begin recording] [Reporter] When speaking about the opportunity to travel, he said:

[Dienstbier] The conclusion of visa-free travel agreements with almost all European states is one of the acts we could describe as normalizing, or which make us—at least in the sphere of law—a normal European state. The states which are still outstanding are Greece and Portugal, with whom similar agreements will probably be concluded in the first half of next year. We abolished visas for citizens of the United States and Canada. Although this is a unilateral act, it is not quite so, because the two states abolished visa fees for our citizens.

[Reporter] Jiri Dienstbier described present Czechoslovak-Soviet relations as confused, in particular with regard to the absence of top-level political dialogue. Speaking about cooperation with developing countries he said:

[Dienstbier] In relations with developing countries, we shall basically proceed from the principles of mutual advantage, de-ideologization, and differentiation. We shall be more active in developing relations with more advanced developing countries. We shall proceed from willingness to assist in settling international disputes and conflicts in the developing world. We shall focus more attention on observation of human rights, and we shall try for maximum possible restraint in arms export.

[Reporter] The minister also reported progress in Soviet troop withdrawal from Czechoslovakia.

[Dienstbier] I am glad to say that Soviet combat units, with the exception of one motorized rifle regiment, are to be withdrawn by the end of February. By 0600 on 17 December, 53,310 troops had been pulled out. This constitutes 72 percent. There remain 20,190 soldiers, or 28 percent. By the end of June next year the rest of them, the other Soviet units, are to be pulled out. We still have to finalize the issues of assets related to the entry, stay, and departure of Soviet troops. There have already been several rounds of talks. Apart from the Ministry of Foreign Affairs, representatives of other ministries and Federal Assembly deputies are also taking part in them. I do not wish to impose boring details on you. The talks are very complex. The starting positions of the two sides

varied. The assessment of their assets differ. Their attitude to the mode of payment is different, and so on. [end recording]

[Announcer] Speaking about the work of the Foreign Ministry itself, Jiri Dienstbier said that fundamental changes are taking place in this respect. For example, 438 employees have already been recalled from foreign service. Ambassadors are also being replaced. For example, a new ambassador to Denmark, 36 year-old (Hana Sevcikova), was personally presented to the deputies today.

Discusses Council of Europe Membership

LD1812184190 Prague Domestic Service in Czech
1730 GMT 18 Dec 90

[Text] On the eve of the 10th joint session of both chambers of the Federal Assembly, deputies met today in individual committees. At the afternoon session Jiri Dienstbier, deputy federal prime minister and minister of foreign affairs, addressed the foreign committees. In a report lasting more than an hour, he detailed Czechoslovak foreign policy. Vladimir Krotz asked Jiri Dienstbier for an interview during a break in the session.

[Begin recording] [Krotz] In your speech you singled out the entry of Czechoslovakia as a regular member to the Council of Europe as one of the most immediate goals of our foreign policy. At what stage are these talks?

[Dienstbier] We are already an associate member. We have in principle fulfilled all prerequisites for entry into the Council of Europe. A regular session of foreign ministers should take place sometime in June, but Spanish Foreign Minister Ordenez, who is the current chairman of the Council of Europe, wants to convene a special session for February, where we would be accepted, in fact, a few months earlier.

[Krotz] Can you, at least briefly, characterize the further goals of our foreign policy for the next year?

[Dienstbier] Next year we should prepare and sign the association treaty with the European Communities. This is an entirely new treaty. The European Communities' headquarters call it European treaties or super association treaties, which will create much closer links. This is one task. We then have to conclude an agreement with Germany. In Paris, at a meeting with Chancellor Kohl and Minister Genscher, we said that this treaty should be ready by Easter. This treaty should put a definite end to the past, so that we will never have to return to the problems of the past—be it the Munich agreement or the removal of Sudeten German. It should at the same time solve problems which emerge for us as the result of the disappearance of the GDR. This means for us, in fact, loss of a market, and thus also a loss of several hundred cooperation agreements between our and East German enterprises. These are vast economic losses for Czechoslovakia. This is another thing.

By the middle of next year we should complete the dismantling of the military structure of the Warsaw Pact. Also there is a task we have brought upon ourselves, so to speak, won in hard international competition: In February the Secretariat of the Helsinki process will start its work in Prague. It will have to work very intensively indeed on the preparation of the Helsinki-2, the second Helsinki conference to be held next year. [end recording]

Association of European Regions Accepts Slovakia

AU1912140090 Prague CTK in English 1601 GMT
17 Dec 90

[Text] Bratislava, 17 Dec (CTK)—“This is a huge opportunity.... Slovakia has been recognised as a full member of the Association of European Regions.... From an observer the first day to a member the next—not everyone gets in so easily.”

This was Slovak Prime Minister Vladimir Meciar's reaction to Slovakia's acceptance into the Association of European Regions in Strasbourg on December 6. “We now have the right to direct contractual relations in all areas with every participant in the association. For instance if we do not sign an agreement with the Federal Republic of Germany, we still have the right to do so with each of its Laender (states),” Meciar explained.

This opens possibilities for Slovakia to achieve things that are not possible at the federal level, said Meciar. Both the Czechoslovak Federal Government and the Czech Republic went to Austria for financial assistance before Slovakia. However it was Slovakia that worked out the conditions for an Austrian loan of approximately one thousand million schillings for all of Czechoslovakia—just one example of what Slovakia can now do, according to Meciar.

In addition to an agreement with the Belgian region of Wallonia, said Meciar, the Slovak Government is planning visits to Bavaria and Hessen in Germany, and is negotiating the creation of a commercial consortium with the Russian Republic in which Slovakia would receive oil in return for goods.

Czech Council Approves Central Ministries Bill

LD1812213890 Prague Domestic Service in Czech
2030 GMT 18 Dec 90

[Text] After an extensive debate, deputies of the Czech National Council approved a government-proposed bill on measures in the system of central organs of the state administration of the Czech Republic—that is, the so-called small power-sharing bill, its basis being the abolition of two ministries, of construction and the building industry, and of machine-building and electrical engineering. The position of the Ministry of Economic Policy and Development is being strengthened. The powers of the Ministry of Trade and Tourism are being extended to foreign trade and foreign tourism, with the exception of its function as a founder of foreign trade enterprises. The

Ministry of Trade and Tourism has also been allocated the sphere of private enterprise. Deputies did not agree to it belonging to the Ministry of the Interior. According to one of the few amendments which were adopted, the management of forests will come under the Ministry of Agriculture. Spa care is still under the Ministry of Health.

Pithart Answers Questions About Current Issues

*LD1812213190 Prague Domestic Service in Czech
1800 GMT 18 Dec 90*

[Interview with Czech Prime Minister Petr Pithart by unidentified reporter; place and date not given—live or recorded: "A Meeting With the Prime Minister of the Czech Government"]

[Text] [Reporter] A short while ago you gave a warning about the program of the political party which will be formed from Civic Forum [OF]. Why?

[Pithart] I think that we have experienced enough of various ideologies and ideologizations. Ideologies are usually brought forth by political parties which set out some kind of utopian aim, and they substantiate this by the ideology. They achieve it, cost what it may. Ideological spectacles in particular prevent them from seeing the true reality. OF, namely the part which wants to be responsible for the economic reform, endorsed something which is very necessary but also very practical. For that it needs common sense rather than any ideology. Ideology obliges us, forces us to behave in the spirit of its schemes, and it prevents us from behaving according to what the situation demands from us. Imagine a surgeon leaning over an operating table who does not follow clinical experience, who does not heed the knowledge in this field, but who follows some kind of ideology. We would have to be worried about the patient's life. If a political party puts on ideological spectacles, it also observes the ideological purity of its ranks. It is difficult then to have an open and free exchange of opinions in such a party. The exchange is very important, it means comparing experiences, it means knowledge. The party which understands its program ideologically cannot succeed in knowledge acquisition. That is why in every party there should be factions and so on. They are, so to speak, its sensory organs.

[Reporter] In your last television address you called Ostrava region a barrel of gunpowder, and you must have meant social tension. Could you explain this more specifically to our listeners?

[Pithart] I will try. Ostrava region is a typical, but unfortunately also too serious an example of how, for many years, several industries and one very important regions were neglected.

We can demonstrate by this example what we call living at the expense of the future. It is a huge package of problems about which we knew a long time ago. The solution should have started a long time ago, too. This package is hitting us

with full force. Ostrava coal is of high quality, but it is being extracted in an unprofitable way. We have no money for fast modernization of technologies.

It seems that we are left with the winding-down program—this is not a good solution but it seems at present that it is the only possible one. The winding-down of extraction is in fact devaluation of the deposit; extraction takes place only there where it is profitable, a lot of coal is left underground and it is hardly probable that it would ever be extracted in the future. In the Ostrava region, we can see in a condensed form, so to speak, what unhealthy interenterprise relations were created by the so-called socialist economy. Today this is a complicated network of debtor-creditor relations—relations which are also known as supplier-consumer relations. This has a paradoxical consequence: An enterprise which, under normal circumstances, could be quite profitable has difficulties paying wages because its debtors simply do not pay it; we call this secondary insolvency. I do not know whether anyone can find his way through all this web today anymore. In the past this was solved by subsidies and it was called bridging. This is something which goes against the essence of the market. This is for our planned economic reform, like dragging a ball and chain along.

Recently we were happy about the successful marriage of the Skoda works in Mlada Boleslav, but in the Ostrava region we need to marry off scores of brides, including the Vitkovice iron works. Grooms are not rushing in yet.

The state of health of the population, of miners above all, is a great problem. Negligence has often led here to damage of health. This is above all because principles of health and safety at work have not been observed. Thus a great number of miners will have to give up their profession, while a new labor force is not ensured even for those tasks connected with the winding-down program. We have here, if you like, yet another paradox—a threatening unemployment when we expect a labor force shortage. And when you add to this the devastated ecology, which even he who only passes through here is aware of, then you will understand why I have talked about a barrel of gunpowder. Inhabitants of this region no longer hide their dissatisfaction.

[Reporter] Is there also a danger that Ostrava region citizens could stand up against the planned economic reform?

[Pithart] You, in fact, have mentioned yet another paradox. We shall not be saved by anything but a consistent economic reform but, in the given case, a reform which is taking place in a barrel of gunpowder. Thus I feel at the moment more like a bomb disposal expert.

[Reporter] As we are talking about the Ostrava region, then one more question: In Havirov, which is a part of the Ostrava residential area, elections were held last Saturday; the turnout and the results are known.

[Pithart] Yes, but I shall not comment on it. Nevertheless we all feel that this means something. I shall only

note, and it is suitable to say it here, that the responsibility lies not only with the government, not only the OF, but every individual citizen.

[Reporter] The Czech National Council at present is discussing the results of power-sharing agreements, that is, how powers have been divided. What do you intend to say in the Czech National Council?

[Pithart] The discussion is underway, some deputies are voicing doubts as to whether it is indeed necessary to abolish the ministries which we intend to abolish. In this connection I want to say this much: I want to say what we are concerned about, not only today when discussing this proposal, but also in general. We are concerned about opening the space for the transformation of command economy to market economy. Despite this, one says that everybody has to start with number one. The government thus wants to look inside itself. The best government is the government which busy people do not know. The government about which people do not know, obviously, creates optimum conditions so that in normal everyday life one does not encounter obstacles which often only arose because officials fleshed out their activity by creating work for themselves. This is nothing personal. I am not addressing it to any ministry or any minister. I am only noting general experience. It is only the pressure of an anti-inflationary budget that creates the need to save; similarly, limiting an apparatus creates a criterion for which offices we truly need and which we can do without. I am afraid one cannot do it in a different way. If I am to talk today [as heard], I will finish by paraphrasing the well-known slogan: man is mortal, office is eternal.

[Announcer] I thank you for today's interview.

Uhl Dissociates Himself From Anti-Klaus Slogans *AU1812205590*

[Editorial Report] Prague LIDOVE NOVINY in Czech on 14 December on page 2, under the headline "We Reject Fanaticism," carries a 400-word joint statement by Civic Forum [OF] Chairman Vaclav Klaus and Petr Uhl, member of the Left Alternative and a deputy to the Federal Assembly for the OF. The statement reacts to the chanting of the slogan "Klaus raus" [German for "Klaus Out"] at a demonstration staged by several political youth movements, including young members of the Left Alternative, in Prague on 10 December. The statement says that, even though it is legitimate to "express disagreement with some elements of the policy of Vaclav Klaus," this criticism must never become fanatical and must not "diverge from the cultural framework of democracy." Klaus and Uhl point out that slogans ending with the word "raus" were chanted by the followers of Hitler and were the prelude to atrocities committed by his regime. They therefore regard this form of expression of criticism and disapproval as "unacceptable."

Parliamentary Leader on Scenarios for OF's Future *AU1912150690 Prague LIDOVE NOVINY in Czech 14 Dec 90 p 3*

[Unattributed report: "Three Scenarios for Civic Forum; A Seminar With J. Sokol"]

[Text] A process of ramification is taking place within Civic Forum [OF]. In the opinion of Jan Sokol, chairman of the OF Club of Deputies in the Federal Assembly, which he presented at yesterday's seminar at the Faculty of Law of Charles University in Prague, there exist three possible scenarios. The first possibility is that OF will continue along the present path and a broad spectrum of opinions will be preserved. This path is very productive, entails few risks, and it would guarantee good results. It is very laborious, however.

The second possible scenario is a division into a minimum of two parts. But this process should come to pass only toward the end of this electoral period. Jan Sokol sees a danger in that local OF groups might go to one side and the OF's intellectual capacities to the other. The third possibility is that the pressure on the representatives of one line will be so strong that they will form a single association within the OF, from which everyone else will be left out.

Jan Sokol favors the first scenario. He believes, furthermore, that the OF must in any case reinforce its structure and introduce membership. In the second half of the seminar, an interesting debate evolved on whether the OF seeks a share in power or whether politics can also be a service.

Dobrovsky Views Establishment of OF Liberal Club *AU1912152690 Prague MLADA FRONTA DNES in Czech 18 Dec 90 p 2*

[Interview with Defense Minister Lubos Dobrovsky by "(KHV)"; place and date not given]

[Text] [MLADA FRONTA DNES] How do you view the establishment of the Civic Forum Liberal Club?

[Dobrovsky] I view the establishment of the Civic Forum Liberal Club, first and foremost, as an attempt to support a radical version of economic reform as the only possible approach toward a market economy. It does not interest me whether someone labels this conservatism, liberalism, or something completely different. I am personally interested in Civic Forum as a coalition unit which affiliates voters primarily on the basis of a common pluralist electoral program. I am convinced that narrowing down Civic Forum's political program to one of its many political streams would in fact mean that Civic Forum voters and supporters would feel unsure and even cheated. I am also sure that Civic Forum has to structure itself more firmly. However, this structure has to be sufficiently flexible so that during the transition period—which we are still experiencing politically and economically—incipient political groupings or even future parties may be given the opportunity to become

established. As far as I am concerned, achieving such a situation is a matter for a complex and qualified discussion within Civic Forum whose outcome should be, first and foremost, the preservation of its unity as a significant integrative force.

[MLADA FRONTA DNES] In your opinion, what will be the outcome of the Civic Forum assembly?

[Dobrovsky] I am convinced that it will reach agreement and consensus.

Czech National Council Debates Education Bill

AU1912110390 Prague HOSPODARSKE NOVINY
in Czech 14 Dec 90 pp 1, 16

["(st")-signed report: "Education is a Public Matter"]

[Text] The tenth session of the Czech National Council began yesterday with a debate on the state administration and self-administration in education bill. By its adoption, the Czech education acquired a modern legal norm, which combines the general social interests represented by the state with those of the communities, family, and educators.

Petr Vopenka, Czech Republic minister of education, youth, and physical training, defended before the deputies the importance of the branch principle of management. The law delimits precisely the jurisdiction of a school principal, the community involvement, the activity of district education authorities, which are budget-funded organizations controlled directly by the ministry, and the function of the ministry itself. Commissions for training and education (in communities with more than five schools) are to play an important part in the implementation of the self-administration, and so do the district school councils. The Czech School Inspection should provide feedback.

The administrative function of the community lies in covering the capital investment and noncapital expenditures of the preschool institutions, elementary schools, and educational organizations. The state guarantees a standard level of the educational training process. Funds from the state budget will cover, through the education offices, mostly the salaries of the academic staff, cost of textbooks, educational aids and needs. A community can contribute to these expenses. A possibility is given to schools to create their own revenues.

The next issue on the agenda was the local fees bill, which had been adjourned earlier. It contains optional fees; hence the communities may but do not have to introduce it, and they decide on their amount up to the set maximum: They are, for instance, dog license fee, spa or holiday visitor's fee, a fee for using public grounds, advertising, entry fees, holiday resort or educational institution accommodation fee, alcoholic beverage and tobacco products fee, and a charge for entering selected

areas and parts of towns with a motor vehicle. The introduction of such a fee should be declared by an obligatory proclamation.

Slovak Communists on 'Internal Political Situation'

LD1812180290 Bratislava Domestic Service in Slovak
1600 GMT 18 Dec

[Text] A briefing of the Communist Party of Slovakia-Party of the Democratic Left was held in Bratislava today. Its representatives also spoke there about the current internal political situation.

Dusan Dorotin, Communist Party of Slovakia deputy chairman, emphasized among other things that there is a clear trend toward forming a united right-wing bloc. However, relations between and the formation of key political groupings are still unclear. This applies first and foremost to Civic Forum [OF], to those whose political orientation is similar to that of OF, and to Public Against Violence.

He also underlined that it is no longer possible to define the party's specific course of action, after the adoption of the constitutional bill on the return of its assets to the people, because the government has not adopted the decision to execute this motion yet. The party object also to the fact that its economic, material, and technical support could be scrapped.

Vavrousek Cited on Discord With Slovak Government

AU1912175290 Bratislava NARODNA OBRODA
in Slovak 17 Dec 90 pp 1, 2

[CTK report: "Questions of General Interest"]

[Excerpts] Bratislava— Current problems of the protection and enhancement of the environment were discussed at a meeting of Slovak environmentalists in Bratislava on Saturday [15 December]. [passage omitted]

The most burning issues concerned the Gabčíkovo-Nagymaros dam system on the Danube [SVD] and the High Tatra. Josef Vavrousek, federal minister for the environment, said about the SVD: "We have agreed with the Hungarian side to ask the EC for help. For the [EC] Commission to work out its expert's report, however, there must be understanding between the Slovak and Hungarian sides. The experts need information from them. As far back as September, following an agreement with Slovak Deputy Prime Minister Vladimir Ondrus, we formulated a draft resolution of the Federal Government on ways of dealing with the situation. The Slovak government did not endorse this resolution, however. The important thing is to find a reasonable solution, to get rid of extreme positions on both sides. The Hungarians have great economic losses while in our country great ecological losses are involved. It is necessary to set up an international working group and to deal with the situation urgently and responsibly." [passage omitted]

Nominated Ministers Comment on Planned Measures

AU1912121490 Budapest MAGYAR HIRLAP
in Hungarian 15 Dec 90 p 3

[Interview with Katalin Botos, Erno Pungor, and Andras Galszecszy, nominated ministers without portfolio, by Andras Kovacs; place and date not given: "What Will Your First Steps Be?"; first paragraph is MAGYAR HIRLAP introduction]

[Text] Three ministers without portfolio answered MAGYAR HIRLAP's questions: Katalin Botos, Erno Pungor, and Andras Galszecszy.

[Kovacs] At your information session, you stated that you could work perfectly well with Mihaly Kupa [nominated finance minister]. In that case, why do you not remain in the Finance Ministry to help Mihaly Kupa with his work?

[Botos] The government is having to face up to extremely difficult economic policy and financial tasks at the moment, and under such circumstances, it would be preferable for me to devote greater attention to the sphere that I have been allocated. In this way, the finance minister will also be able to concentrate more on compromise-seeking negotiations with other government members. Another decisive factor in this decision was that an individual was needed exclusively for the coordination of relations between the government and the banking sector; indeed, during important negotiations, the other side usually wants to consult with a leading government representative.

[Kovacs] Is a second post required within the Finance Ministry for the supervision of the banking sector?

[Botos] Absolutely not. There are tasks—like the supervision of the issuing bank—that should not belong to the Finance Ministry. The minister without portfolio will also have the right to decide on the creation of new banks, which is an important issue. I do not think that I will be a minister without portfolio for the rest of my life, but this post is needed under the present economic circumstances in Hungary.

[Kovacs] Where will your office be based?

[Botos] No decision has been made yet, but I will definitely be moving out of the Finance Ministry. I would like to stress once again that I cannot infringe in any way upon the sphere of authority of the finance minister, but as a minister without portfolio, I think that I could considerably facilitate his task. In the past, the finance minister had to stand up alone to the conscientious attacks of other ministers; hopefully, this new division of tasks will make the situation somewhat easier.

[Kovacs] Mr. Pungor, as minister without portfolio you will be dealing with an area that is quite important from the point of view of national development; among other

things, you will be supervising technological development. What will your first steps be, as minister?

[Pungor] I see my duty as the creation of a free domestic market for the mind. In the scientific sphere, there are still a lot of leaders who try to repress real talent for their own benefit. This situation will partly be solved through the general implementation of an open competition system. Furthermore, a few days ago, together with five academic colleagues of mine, I suggested that to be appointed as a lecturer at the Budapest Technological University, a candidate needed references from three foreign experts; this would prove that the candidate was internationally renowned.

[Kovacs] Given the country's budgetary deficit, do you think that research and technological development will receive the funds that they need?

[Pungor] Unfortunately, the old principle still prevails: There is no need for any serious technological development in Hungary, because demand is much lower in Eastern European markets. This attitude needs to be changed as soon as possible, but many people do not understand that. The fact that this matter has been brought up to the ministerial level signals that, at long last, the technological intelligentsia has been given greater recognition within the government.

[Kovacs] Could this also mean more funds...?

[Pungor] On Thursday, 13 December, six-party negotiations were held, and it was decided that the technological development of this country—and thereby its economic development—cannot be allowed to be jeopardized by using the money allocated to this sphere to fill up other gaps in the budget. The sums allocated are insufficient, anyway. A proposal will be presented in parliament to put an end to this untenable situation.

[Kovacs] How will it be possible to remove unsuitable leaders from scientific institutions?

[Pungor] That will be the internal affair of each scientific institution. These institutions will take the necessary measures if they do not want to discredit themselves, and if they want to achieve serious results.

[Kovacs] Mr. Galszecszy, as minister without portfolio you will be supervising areas that are seen as targets for budgetary cuts in the current debates.

[Galszecszy] On Thursday, 13 December, the National Security Committee discussed the budgets of these spheres, and the majority voted in favor of the allocated sums. I sincerely hope that parliament will not reduce these figures; in fact, it would be preferable if no detailed negotiations were held on this subject. Indeed, no country in the world has ever published the sums necessary for national security tasks, or the composition of these sums.

[Kovacs] Nevertheless, many people feel that it would be necessary to cut state budget expenditures. Do you see no possibility of making cuts?

[Galszecszy] I do not question the need to make cuts, but given that I am not familiar with all the details of the budget, I cannot answer your question. I am certain, however, that the efficiency of the work carried out by the Information and National Security Office would be jeopardized if the office received less money. I think that, under the present circumstances, these tasks have to be guaranteed at an unchanged level; that is a minimum.

New Finance Minister Kupa Views Future Tasks

Discusses Division of Tasks

AU1912152990 Budapest MAGYAR HIRLAP
in Hungarian 15 Dec 90 p 3

[Interview with Mihaly Kupa, finance minister-designate, by Melinda Kamasz; in Budapest on 14 December: "The Finance Ministry Is Responsible for our Economic Policy"; first paragraph is MAGYAR HIRLAP introduction]

[Text] Following Prime Minister Jozsef Antall's announcement of Hungary's government reshuffle, Mihaly Kupa told parliament that the country had reached a serious situation, but that things were not as bad as people thought. Shortly after his speech in parliament, Kupa informed our correspondent about his plans.

[Kamasz] Mr. Kupa, you are currently still the chairman of the DRT Hungary Inc. [a large financial consulting firm] You recently invited many of your former Finance Ministry colleagues to come and work for your firm. What will happen to these people now?

[Kupa] I trust they will make their own decisions, whether they want to continue with the state management "robot," or not. I would, of course, be delighted if they decided to stay in the Finance Ministry.

[Kamasz] Given that you did not help elaborate the budget, how will you now be able to join in the parliamentary budget debates?

[Kupa] I do know something about budgets, although it is true that I have not yet come across any concrete material from this particular budget. I am well aware of the country's economic situation and possibilities. Of course, I will have to collect a lot of information in the near future. The prime minister and I agreed that the person who had initiated the budgetary debate would also close it. Furthermore, the various political parties want to propose several amendments, and I think we could make use of these suggestions. The government and parliament have decided that the latter will reassess the budget every three months. These examinations would give us the opportunity to provide information about the real economic situation, and to improve our budget, if necessary.

[Kamasz] How will tasks be divided between the Finance Ministry and Katalin Botos, minister without portfolio in charge of supervising financial transactions?

[Kupa] In the past, the Finance Ministry was in charge of the supervision of securities and banks, and this was rather an unfortunate situation. As of now, Katalin Botos will be in charge of these duties, and I think that this separation is a positive measure.

[Kamasz] One of the reasons why former Finance Minister Ferenc Rabar resigned was because he did not succeed in making the government accept his ideas. What distribution of tasks do you foresee? To what extent will representatives from other ministries be able to influence the elaboration of our economic policy?

[Kupa] The prime minister and I entirely agree that the Finance Ministry is responsible for the country's economic policy. The heads of other ministries will be responsible for the policies of their particular sector. In a modern state, the state is in charge of three policies, namely monetary policy, fiscal policy, and foreign policy. No country can allow itself to "privatize" these policies. Personally, I will try to elaborate a consistent economic policy, without upsetting other functions. The prime minister and I also agreed that there could be no conflicting concepts within the government.

[Kamasz] What future plans do you have?

[Kupa] I am not in favor of an economic policy which places an enormous burden on the population and gives an advantage to a narrow group of privileged people; an example of such a policy is the raising of VAT [value-added tax]. We need a policy which boosts the market, but in my eyes, all sides should be equal. We need a socially acceptable market-boosting policy. I have three fundamental plans for the near future. I would like to present Parliament with the government's concept on the country's economic policy. This definitely requires the further development and implementation of consistency in the current three-year program. The state budget has to be sorted out. The bill that has just been elaborated should be reassessed, and the disproportionate importance of the state should be reduced. Last, we definitely need a taxation system that is market-oriented. At the moment, only the people who live off their wages and salaries have to pay income tax, and that is unacceptable. Our tax brackets have to be altered, although I would not speak of a decrease at this stage. A social taxation law has to be elaborated, and the taxation system for businessmen has to be almost entirely rewritten. A tax on profits cannot give preference to such a great number of activities. We have to prevent such a great outflow of capital from the country. As far as VAT is concerned, I think that the future definitely lies in two different tax brackets, but in this domain, I will always take the living standards of the population into account. We cannot convert from a tax exempt bracket to a higher bracket overnight.

[Kamasz] Do you think that there will be a devaluation of the forint to stimulate exports? Is such a measure necessary?

[Kupa] Exports can be stimulated through a devaluation of the forint, but I am primarily in favor of competition in the area of foreign trade activities. I do not know whether we can maintain planned inflation rates by devaluing the forint and making imports more expensive. That is precisely why I am not sure if we need a forint devaluation, but of course, I will discuss this issue with Mr. Suranyi, the chairman of the Hungarian National Bank, and Mr. Kadar, our minister for international economic relations.

[Kamasz] Many people criticize the merging of the Finance Ministry and the Planning Office; what is your opinion on this issue?

[Kupa] Imagine that there is a restructured apparatus, and that, as soon as I become minister, I restructure it again. I do not want to dismantle the current organization, but we definitely need a differently structured Finance Ministry. I am going to place budgetary matters in competent hands, and the Finance Ministry will have an economic policy section that will have to take monetary and foreign trade aspects into account.

[Kamasz] Will there be any changes as far as your state secretaries are concerned?

[Kupa] I have not yet asked Mr. Kiraly whether he wants to stay; however, I need two state secretaries who will supervise the budget and our economic policy.

[Kamasz] Your curriculum vitae tells us that as a teenager, you were thrown out of all your schools; why was that?

[Kupa] I went to the Petofi High School, and after the crushing of the 1956 revolution, we formed an organization; we were subsequently locked up. We were not locked up for a long time, however, and that is why I do not like to talk about this incident. At the time, it represented a very decisive step in my life.

Comments on Priorities

LD1912162890 Budapest MTI in English 1336 GMT
19 Dec 90

[Text] Budapest, December 19, 1990 (MTI-ECONews)—Hungary's new finance minister set a well-functioning social market economy as his top priority in a hearing before the government's budget, tax and finance committee today.

The operations of the new Finance Ministry should thus be accommodated to that objective, Mihaly Kupa said, with a new division of labour within the government, so that the Finance Ministry has full control over the country's monetary, fiscal and foreign economic policy.

Mr Kupa considers it necessary to re-assess the role and authority of the state in the economy as too much state intervention may seriously hinder Hungary's budding privatization process.

The Finance Ministry will bring before parliament a new draft state budget and proposed modification of the tax system by July 1, 1991, by which time it will also have worked out a set of new regulations for streamlining the country's health, education and pension schemes.

Mr Kupa also places great emphasis on dispelling uncertainties about ownership relations and establishing a proper land law.

The new finance minister said that his ministry will prepare an economic policy containing its most important anti-inflationary measures by the end of February.

Spokesman Interviewed on Government Reshuffle

AU1912152690 Budapest MAGYAR HIRLAP
in Hungarian 15 Dec 90 p 1

[Interview with government spokesman Laszlo Balazs by Koan in Budapest on 14 December: "There Will Also Be Changes in State Secretarial Position"; first paragraph is MAGYAR HIRLAP introduction]

[Text] The government hopes that the Smallholders [FKgP] will remain in the coalition, and there is no talk of dismantling the coalition—Laszlo Balazs told our correspondent among other things.

[Koan] The names of the FKgP ministers have often been mentioned in discussions over the government changes in recent weeks. Their names, however, have not come up during this government reorganization.

[Balazs] A meeting of the FKgP Presidium will be held over the weekend and probably the leading officials of the party will also be government members. This is not necessarily the rule in every multiparty democracy, but we can find numerous examples in which the party leader represents his party in a coalition government.

[Koan] What other changes will take place?

[Balazs] I would not start guessing, but we expect changes at the level of state secretaries this time.

[Koan] Will the principle of a coalition balance prevail—namely, to have another party representative in the position of state secretary behind every minister?

[Balazs] This seems to be a good practice and it is worth maintaining this in the future.

[Koan] Will a representative of the Hungarian Democratic Forum fill Katalin Botos' place?

[Balazs] Not necessarily; however, the government does not stick to these proportions by all means.

[Koan] It has repeatedly been rumored recently that the FKgP will leave the coalition. Is that possible?

[Balazs] We hope that the FKgP continues to see its best place in this government and wants to remain in the coalition. As far as I know, there is no talk of dismantling the current coalition.

[Koan] What is behind the choice of Mihaly Kupa as the new finance minister?

[Balazs] In this choice, I think that the most important thing is that, this time, an independent professional rather than a party politician will take over the position of this key ministry.

FKgP Discusses Aims, Role in Coalition

*LD1912164390 Budapest MTI in English 1435 GMT
19 Dec 90*

[Text] Budapest, December 19 (MTI)—The Independent Smallholders' Party (ISP) [FKgP] intends to operate as a people's party in the future, for inasmuch as it becomes a party of one strata only, it will lose its political influence, said Sandor Olah, the ISP general secretary elected over the week-end, at his press conference on Wednesday. In the spirit of the opening, planned by the new leadership, Mr Olah said they would like to increase their influence among professionals, mainly agricultural professionals. In the past period, loud, and frequently demagogical, manifestations kept the professionals away from the Independent Smallholders' Party.

The general secretary announced that the party's comprehensive agricultural concept would be completed by January, and the detailed political programme of the ISP will continuously be made public afterwards. With respect to the relationship of the ISP towards its coalition partners, the general secretary said: The Independent Smallholders' Party will not accept a role in the government coalition inasmuch as the question over the settlement of the re-privatisation of property relations becomes divorced from the agenda.

SZDSZ To Prepare Crisis Management Program

*LD2012114190 Budapest Domestic Service
in Hungarian 0600 GMT 20 Dec 90*

[Text] The Alliance of Free Democrats [SZDSZ] will make their short-term crisis management program public within a few months.

According to SZDSZ chairman Janos Kis, this is necessary because the government's budgetary plans are professionally inadequate and the SZDSZ can prepare better ones. Yesterday at Szekesfehervar at the party's political forum, the party chairman also disclosed that in parliament they are going to propose that a substantial part of the funds allocated for public administration in the budget should be transferred to the local governments.

Former Interior Minister Views Refugee Measures

*LD1912231690 Budapest MTI in English 2008 GMT
19 Dec 90*

[Text] Budapest, December 19 (MTI)—The relevant authorities are already dealing with the effects of the Soviet migration wave forecast to follow the introduction of the Soviet world passport, Balazs Horvath, minister without portfolio and former minister of the interior, said on introducing himself in his double capacity to parliament's committee on human rights and minority and religious affairs. As a candidate for the portfolio in charge of the affairs of Hungarians beyond the borders, he reported to the committee on his responsibilities, and as an outgoing minister of the interior, he gave a briefing on the measures he was planning to introduce.

Among the precautionary measures related to the refugee issue, Horvath mentioned the need to increase the striking capability of the border guard. The minister was of the opinion that an amendment to the defence law would also become necessary whereby the army and its technical devices would be put to reinforce the border guard for the event of a possible refugee wave.

Balazs Horvath termed the introduction of the compulsory visa requirement as a possible means only to be employed as a last resort, because a new iron curtain would in no way be desirable in the eastern part of Europe. In [the] future, Horvath said, strict measures are to be taken against those employing people illegally staying in Hungary. Moreover, they wish to strengthen the "refugee infrastructure" of counties neighbouring the Soviet Union.

Balazs Horvath pointed out that as a minister without portfolio he acted as a co-ordinator in handling the affairs of Hungarians beyond the border. The relevant secretariat, he said, would not be a ministry of revision affairs but rather a co-ordinator of the common affairs of Hungarians. He who feels himself Hungarian is Hungarian, so there can be no legal obstacle to a separate post in Hungary to deal with the affairs of about a third of Hungarians living beyond the borders and help them in fostering their Hungarian identity and culture. The only way of creating balanced conditions is to "try to forget the severe pain caused by the Versailles and Trianon peace dictates."

*** Interview With Foreign Ministry Spokesman**

*91P20027A Bucharest ADEVARUL in Romanian 29
Nov 90 p 4*

[Interview with Janos Herman, spokesman of the Hungarian Ministry of Foreign Affairs, by ADEVARUL's special correspondent in Budapest, Al Pintea; place and date not given: "It Would Be Useless To Deny the Existence of Problems in Romanian-Hungarian Relations"]

[Text] We gave the history of the conducting of this interview in an earlier report, entitled "Failed Interviews." Although, to a great extent, we do not share the views of our interviewee on current Hungarian-Romanian relations, we are publishing them so that our readers will gain a clearer knowledge, from direct sources, of the views of Hungarian official circles on these relations.

[Pintea] What is your opinion of the current situation in Romanian-Hungarian relations?

[Herman] Speaking for myself, in my opinion, it would be useless to deny the existence of such problems and the existence of some unresolved aspects in Romanian-Hungarian relations on the whole. In our view, this situation is explained, first of all, by the fact that we do not see any fundamental change in Romanian foreign policy, more precisely, in Romania's policy toward Hungary. We have the impression that a line which belongs to a previous period still persists in this policy. So far, the Romanian side has not shown any definite inclination to approach these problems, a move which, through a common understanding, might result in a step forward in our relations, might mean a modification of these relations and might enrich them—one might say—and raise them to a higher level. We are convinced that our relations would improve if the Romanian side were willing. As we know, the Romanian side and Romanian public opinion have refused to accept numerous initiatives. But, these proposals initiated by the Hungarian side continue to be valid, since we are ready to carry on a dialog on the basis of these proposals and we are ready, if I can express myself in this way, to look for a way to resolve the problems. You know that these proposals have been associated, in part, with the ensuring of the individual and collective rights of the Hungarian minority which lives in Romania. Among these I would mention, in particular, the question of education in the mother tongue. There are other concrete issues, such as the Hungarian consulate in Cluj. In general, I can say that recently we have noted a substantial movement in this direction. I would like to add that, as far as we are concerned, Hungary is interested in normalizing relations and in developing good collaboration with all neighboring countries, hence, implicitly, with Romania, too. In general, this is the way that one might evaluate—with all sincerity—the situation in our relations. And, in my opinion, this evaluation is in accordance with reality.

I would like to add an aspect connected with recent Romanian-Hungarian contacts. I have noted the existence of an attitude on the Romanian side which indicates that a certain desire to cooperate is being noted in the discussions. This has been evident in the statements made after these discussions. However, there have been some later statements which are in clear disagreement with what was said during the discussions and, in some cases, they are really in opposition. I am convinced that both the contacts which took place in the past and those which will follow will have to serve, in the first place, the essential purpose of progress and development. At the

same time, I would like to emphasize one thing: The differences of opinion which currently exist between the Romanian and Hungarian points of view, such as, for example, those referring to the national minorities, are not really a specific Romanian-Hungarian difference; it is universally recognized that a number of European countries view Romania's policy on national minorities the same as Hungary does. Such issues have been raised by other countries, in Council of Europe sessions, but, in this situation, Romania did not react. Unfortunately, in the case of Hungary, the tone used by Romania is rarely met in diplomatic circles and in political contacts, and this aspect, naturally, cannot contribute to the creation of an atmosphere of confidence.

[Pintea] Don't you believe that at least some of the current common concerns of the two peoples, such as the efforts directed toward building authentic democracies, privatization, and the market economy might stimulate the development of cooperation?

[Herman] The development of a true democracy in Romania, the creation and installing of a functioning economy, a market economy, is also in the interest of Hungary. Hungary is interested in having such a Romania in its neighborhood, since we would be able to cooperate much better with a neighbor which is a stable, fully democratic country, in which the internal structure is democratic, in which an economy capable of functioning is developing. In this regard, I believe, if I can express myself in this way, the interest is truly mutual.

[Pintea] Nevertheless, what practical steps should be taken for the development of relations between the two countries?

[Herman] I would like to stress that, in regard to the Hungarian position, there is an open, unanimous desire for collaboration. However, I must emphasize that we have determined the content of this desire for collaboration, so we have communicated in what type of conditions we believe it is possible to develop Romanian-Hungarian relations. The first necessary step in setting up a climate of mutual confidence would be the elimination of those official statements and—this is another aspect of the problem—press statements in which assertions of some personalities in the Hungarian leadership are interpreted in a completely different manner or by taking a fragment out of context, these personalities are presented in a completely unilateral manner. I have the impression that, in Romania, there are probably certain circles whose aim, consciously—for one reason or another—is to prevent this collaboration. I am referring to the repetitive manner in which certain problems are treated in Romania, attributing to Hungary, on the other hand, certain intentions for which there is no real basis. All these can be seen in the statements and declarations which the Romanian side presents inside out.

[Pintea] What do you think the press of the two countries should do in this regard?

[Herman] I have a number of things to say about this. First of all: It cannot be denied and I do not deny that it might happen that such statements which might damage existing relations could appear in the Hungarian press; I can tell you, however, that to the extent to which I follow the situation—and I try to do this with the greatest attention—the situation of materials connected with the problems mentioned which have appeared in the press is not presented in a balanced manner from the quantitative and qualitative points of view. In regard to Romania, a number of articles which give the impression of a campaign, presenting Hungarian policy from a unilateral point of view, appear periodically. Sometimes even the principal considerations included in these articles are almost identical in regard to content, which leads one to believe that there is an organized campaign. In addition, I might mention that the tone adopted by these articles is an advantage for us, in light, among other things, of the fact that, since there is a certain freedom, under these conditions, the press is adopting certain independent positions.

As for the tone, it greatly exceeds the tone of the articles which appear in the Hungarian press, to which you referred. It is not my intention to exaggerate things but I must mention that, recently, the Romanian press published, almost in a series, numerous opinions, rich in attributes, with a specific target, namely, some top people in Hungary. I believe that there is another phenomenon, which we can evaluate as being of a constructive nature—taking account of the community of interests—but it is better for us not to talk about this. This morning, for example, I read an account of an article which recently appeared in the Romanian press, which talked about the repeated "impertinencies" of Geza Jeszenszky (the Hungarian foreign minister).

I believe that, in a certain respect, in the light not only of Romanian Hungarian relations but also of standards and practices in Europe, this is quite unusual, something which should, in no way, be thought to be useful. I would like to mention another aspect: I consider it very important for the press to present, as exactly as possible, statements and positions of people in leadership positions. It often happens that the Romanian press—and, in connection with this, I do not know if I should address the press or official circles—publishes replies to certain comments from the Hungarian side. However, these do not appear in the Hungarian press. As a result, the Romanian reader does not have a chance to compare the material under study, the Hungarian-language document with the Romanian-language document, since both are not presented. Only the reply appears. In my opinion, a correct information effort implicitly requires that the readers in both countries know both positions. I would like to add something. I did not intend to carry on this discussion through the press. I responded to your request for my opinion on the development of Romanian-Hungarian relations, attempting to base my remarks, as much as possible, on facts, and stressing that I would like to develop broad collaboration.

May God allow it to be so! It seems that the road from intentions to actions is sometimes very long.

Defense Ministry Official on Army Accidents

*AU2012111090 Budapest NEPSZAVA in Hungarian
17 Dec 90 p 4*

[Interview with Defense Ministry Spokesman Gyorgy Keleti by Kiss in the Defense Ministry; date not given: "Soldiers' Death in Peace Time"; first paragraph is NEPSZAVA introduction]

[Text] We recently published news from Sofia according to which 10 soldiers lost their lives during a military exercise in Bulgaria. Despite the fortunate decrease in the number of military exercises in Hungary, the population here continues to have relevant "information." Many people claim that there is a victims threshold expressed in percentages in the Hungarian Army. We asked Gyorgy Keleti about this.

[Keleti] Indeed, a false rumor has spread among the civilians. I can most firmly declare that there has never been any kind of percentage or limit on this. The whole mistake probably derives from the fact that, given the imitation of real situations during military drills, the commanders carry out evaluations on the possible victims of the combat in question, as if the action took place in earnest.

[Kiss] Could you give us some figures about real death cases during military drills in Hungary?

[Keleti] Unfortunately, there are fatal accidents in the Army, albeit very rarely. One soldier lost his life in 1986, two in 1987, three in 1988, four in 1989, and one this year.

Despite the need to carry out the drills under special circumstances and at a rapid pace, our commanders have the major task of preventing accidents in addition to fulfilling the military plans. According to our basic principle, military training in peace time should be organized in a way to avoid victims.

[Kiss] If such an accident does take place, however, what compensation can the relatives expect?

[Keleti] The Hungarian Army covers the burial expenses. If the deceased had the obligation to pay alimony, we regularly provide this amount of money. We also provide a compensation fund to the family, in accordance with the civil law.

Volunteer Medical Army Unit To Be Sent to Gulf

*LD1812223590 Budapest Domestic Service
in Hungarian 2200 GMT 18 Dec 90*

[Text] The National Assembly was discussing state secrets all evening, and the subject was so delicate that not even shorthand notes could be taken. All that transpires is that the issue is related to international politics,

but not linked to our relations with neighboring countries. It is also known that the decision requires a two-thirds majority. The session ended not long ago and all Gyorgy Szabad, speaker, and Tamas Katona, state secretary of the Foreign Ministry, would say was that parliament has decided to send 35-40 volunteer soldiers to the gulf region. The formation will be under British command. Journalists asked what the truth is about a rumor that in a certain event U.S. military planes might use Hungarian airspace on their way to the Near East. The answer was that the Hungarian Government has not received such a request from anywhere.

35-40 Members To Be Sent; Assembly Debates

LD1912162390 Budapest Domestic Service
in Hungarian 0530 GMT 19 Dec 90

[Interview with National Assembly Speaker Gyorgy Szabad and Tamas Katona, state secretary at the Ministry of Foreign Affairs by unidentified reporter; place and date not given—recorded]

[Text] At a closed session last night the Hungarian parliament approved that 35-40 members,—a token, strictly voluntary medical unit—can be dispatched to the gulf region if the situation makes this necessary. At the news conference following the closed session, Gyorgy Szabad, speaker of parliament, and Tamas Katona, state secretary at the Ministry of Foreign Affairs, made statements and answered questions from journalists, including our reporter Andras Kerekes.

[Szabad] After a really long-lasting closed discussion, parliament made the decision, depending of the developments in the gulf crisis, to create constitutional provisions for sending a token and strictly voluntary Hungarian medical unit to the crisis region. The debate reflected well the responsible attitude of the Hungarian parliament, with the government putting forward the proposal and providing the information.

[Katona] We are prepared to send this 35-40 strong team, if this becomes necessary, to the region. For this we had to settle a number of things, to ensure that they are ready to be received; that is why I went to Saudi Arabia, and then to London. Here we agreed with the British Government that this Hungarian unit, if indeed parliament gives its approval, will be under British direction. To confirm this, the approval of two-thirds of all Members of Parliaments [MPs] was needed, because the relevant paragraph of the Hungarian Constitution states that units belonging to the Hungarian military can only cross the borders of the country with such permission.

[Szabad] This was one of those rare occasions when the Hungarian Parliament, in the presence of all competent foreign affairs personnel, could consider global and comprehensive foreign affairs matters.

[Unidentified reporter] Mr. Speaker, was there anything special to explain the timing, since to external observers,

it seems that the decision for a closed session came unexpectedly, it was a surprise for the majority of MPs as well, and because of this the debate on the budget also had to be interrupted for a few hours. Did you have a deadline?

[Szabad] For us, indeed it was regrettable that we took time away from the budget debate as well. The government considered it justified that a clear position should be created on this issue, partly because not only you but others too received uncertain, unsubstantiated information. The government I think on the one hand wanted authorization for any events, constitutional authorization, and on the other hand it wanted to prevent the need for people to speculate over an issue which, with the decision of parliament and your contribution, can be made public.

[Reporter] After this debate, can we still talk about foreign policy as an area where the consensus between the parliamentary parties is the greatest?

[Szabad] I have to say that on this question parliament declared, after a very thorough consideration of the constitution, that there is a need for a two-thirds majority. The fact that we did reach this two-third majority, even if we did not exceed it substantially, indicates that the majority of parliament is behind it, since the two-thirds majority had to be achieved not on the basis of MPs present but of all MPs, including those who were away, perhaps ill.

[Reporter] Excuse me, to avoid any misunderstanding, I am asking you to state categorically that at today's closed meeting it was not mentioned that Hungarian airspace or airports would be made available for a possible line-up of forces?

[Szabad] Please....

[Katona, interrupting] Such a request certainly did not reach us.

[Reporter] No request, neither United Nations nor some member states, a request from some member state?

[Katona] No, we—as we mentioned earlier—at least symbolically would wish to take part in the world line-up against the aggressor.

Travel Depends on Developments

LD1812235490 Budapest MTI in English 2252 GMT
18 Dec 90

[Text] Budapest, December 18 (MTI)—As reported, Gyorgy Szabad, speaker of Hungarian parliament, announced late on Tuesday evening that the National Assembly had passed a resolution, according to which a Hungarian medical detachment, consisting exclusively of volunteers, can travel to the gulf region, depending on the developments in the gulf crisis.

Mr Szabad said the resolution had to be passed with a two-thirds majority, as this is set down by the Constitution. Incidentally, this decision is a milestone in Hungarian history, and indicates that the government and parliament feels tremendous responsibility for each and every human life that might possibly be threatened, he added.

The debate lasted for five hours as the legislators demanded to be familiarized with the direct and indirect connections of the issue. Only in this way did they agree to the possibility of sending a detachment of a symbolic size.

Mr Szabad firmly stated: He has nothing to say about the various reports, according to which the Hungarian Government had received a request for it to allow the use of the country's air space for the American Air Force towards the gulf region.

Tamas Katona, foreign affairs secretary of state, added that if it becomes necessary for the medical team to travel to the gulf, then it is expected to come under British authority. The aim, the intention was to pass a resolution in the matter as soon as possible, as the necessary talks, both within the country and beyond the borders, have taken place. All states in which the constitutional system does not make parliamentary approval, even less a qualified majority parliamentary approval necessary, have already passed their measures of this nature.

Soviet Sale of Airplane Engines Examined

*AU1712114590 Budapest NEPSZABADSAG
in Hungarian 11 Dec 90 p 5*

[Interview with Deputy Chief Prosecutor Sandor Nyiri by "A.S."; place and date not given: "The ANT-Affair Continues—The Soviets Would Also Like To Investigate in Hungary"; first paragraph is NEPSZABADSAG introduction]

[Text] The so called ANT-affair has taken a new turn. As we reported in the spring, the ANT Soviet Enterprise decided to sell airplane engines to the West through a Hungarian firm in Budapest. A secret agent from Moscow provoked the Soviet foreign trade people who were staying in Budapest.... The affair that has been dormant for several months has now come to life again, following a letter sent by the Soviet Chief Prosecutor to the Hungarian authorities in which the former asks for help. We asked Sandor Nyiri about details.

[Nyiri] We received a letter of request in which the Soviet Chief Prosecutor asked us to allow the Soviet authorities to investigate the affair in Hungary.

[NEPSZABADSAG] How did you react to this request?

[Nyiri] In our reply sent through the Foreign Ministry, we made it clear that the law does not allow foreign investigation in Hungary. On the basis of our bilateral legal agreement, however, the Soviet Chief Prosecutor's Office can ask

questions. We, therefore, told the chief prosecutor to formulate his questions and send them to us.

[NEPSZABADSAG] What would happen next?

[Nyiri] If we receive the questions, Hungarian authorities will carry out the investigation and the hearings.

[NEPSZABADSAG] Obviously, the Soviet Chief Prosecutor's Office wants to know the testimony of the two Soviet foreign trade officials, Aleksandr Ivanov and Revaz Msveneradze, the two ANT delegates. Where are they now?

[Nyiri] I do not know.

[NEPSZABADSAG] In case of a suspicion of crime, which country could initiate criminal procedures?

[Nyiri] Let us start from the premise that a criminal investigation is under way in the Soviet Union. Hungary could only initiate a criminal procedure in the same affair if a well-grounded suspicion of crime is valid according to Hungarian law.

Army Chief on French Equipment, Restructuring

*AU2012110190 Budapest NEPSZABADSAG
in Hungarian 17 Dec 90 pp 1, 5*

[Interview with Lt. General Laszlo Borsits, chief of staff of the Army, by Peter Vajda; place and date not given: "There Is No Arrow Pointing Beyond Our Borders"]

[Text] [Vajda] Mr. Borsits, according to Paris press releases, during your recent visit in France at the invitation of the French chief of staff, you also had the opportunity to visit military enterprises and inspect military technology. What did you see?

[Borsits] As is well known, in the current situation, the Hungarian Army imported some 90 percent of its technology from the East. We are now seeking other sources, too. Depending on our financial resources, we should be able to also import military technology from the West in the near future or the not so distant future. Perhaps French military technology, or part of the technology manufactured jointly could also be used by the Hungarian Army. The current talks were mostly informative, but we noticed readiness for cooperation and licenses. It is worth pursuing these issues with the representatives of the relevant industry.

[Vajda] What French equipment impressed you most?

[Borsits] Speaking about land equipment, I was impressed by the wheeled tanks currently being made operational in the French Army. These tanks have a big capacity of maneuvering and a long range; they travel with a speed of 85 kilometers/hour on public roads, and are equipped with an automatic guidance system and two-level stabilizers. The French also displayed the tanks of the future. We were impressed by the Mirage family, and we had the opportunity to see several versions of this

fighter plane. Our hosts showed everything quite openly and spoke about development trends, including planned military equipment for the years 2000 and 2005. We were mostly impressed by the interest and professional knowledge of our partners, and their professionalism in presenting the equipment of the French Army.

[Vajda] A series of articles on the past of the Hungarian Army has just ended in NEPSZABADSAG. Those arrows were pointing to the West.... I think this is something of the past, once and for all.

[Borsits] I read the last article. This also shows that the [Warsaw Pact] Political Consultative Committee declared a defensive military doctrine at its meeting in Berlin in 1987. As a result, the Hungarian Army has been charged with the task of defending the country against outside attack. The new Constitution adopted in 1989 clearly stipulates the role and tasks of the Hungarian Army and it says that the task of the Hungarian Army is to defend Hungary's independence and sovereignty within our borders. In other words, its mission is to be able to prevent a possible aggression within our borders. Only the Hungarian National assembly is authorized to decide on the use of the Hungarian Armed Forces outside our borders. In other words, there is not a single arrow pointing beyond our borders on the military maps.

[Vajda] Is there an enemy image?

[Borsits] No, there is not. This is something of the past. We are preparing to prevent a possible aggression from whatever direction it might come.

[Vajda] You mentioned the deployment of Hungarian Armed Forces beyond our borders; what about the planned military unit to be sent to the gulf?

[Borsits] We are talking about a medical unit of 28-30 people. Such a team could provide useful services during combat, like treating and performing surgery on soldiers. This group is basically made up of volunteers, a well-trained team which has drilled its activity. If the parliament so decides, this team can be sent to the gulf in a few days.

[Vajda] We are now living in a "budget season." What is the minimum with which the army can function?

[Borsits] This is a very difficult question because, when we carried out the preliminary evaluation in summer, we came to the conclusion that we would need 75 billion forints, including a modest development. We took into consideration the fact that, as a result of the changes in the conditions of trade and of switching over to accounting in U.S. dollars, we will have to count with a 3.2 multiplication factor in the case of purchases from the East. We considered an annual inflation of 25-30 percent, but it seems now that inflation will be higher in 1991. We also calculated a modest wage increase for professional soldiers, and this would still fall behind inflation by 10-15 percent.

In the current preparatory stage, we can count on much less, and the result is that we will only be able to purchase the essential spare parts needed for operation next year, wage increases will be modest and, examining all our reserves, our funds will be enough for a minimal training. As far as I know, the amount to be submitted to the parliament is 57.4 billion forints, including the 4.6 billion forints we must make from the selling of army buildings and military equipment, as well as from other sources....

[Vajda] Is this the absolute minimum?

[Borsits] We must now regard this as the absolute minimum....

Olszewski Comments on Failure To Form Government*LD1912175590 Warsaw Television Service in Polish
1500 GMT 19 Dec 90*

[Text] [Announcer] Lawyer Jan Olszewski received a group of journalists today:

[Begin recording] [Unidentified speaker] We heard through the grapevine that you created a more ideological government and that the president wanted a more pragmatic government. Those are naturally slogans. Could you please make some comment on this?

[Olszewski] I can comment on this as a rumor, naturally, untrue. I know what is being said in this morning's press, where there is such an argument in the GAZETA WYBORCZA and even more accentuated, if I am not mistaken, in the SZTANDAR MŁODYCH. I can tell you very firmly it is not true.

[Unidentified speaker] Why did you resign from your mission?

[Olszewski] The reasons (?were given) in yesterday's statement.

[Unidentified speaker] Very hazy and general.

[Olszewski] Yes, but I think the difference was very clearly formulated...

[Unidentified speaker, interrupting] Could you put it more precisely?

[Olszewski] There were differences between the president and myself over the candidates.

[Unidentified speaker] And that it concerned personalities whom you do not want to talk to us about today?

[Olszewski] Unfortunately. [end recording]

[Announcer] The lawyer Olszewski wanted to keep in the government Leszek Balcerowicz and Krzysztof Skubiszewski, whom he did not manage to talk to, from the members of the cabinet.

Commentary Views Failure To Form New Cabinet*LD1912141190 Warsaw Domestic Service in Polish
1105 GMT 19 Dec 90*

[Commentary by (Anorzey Jelenski)]

[Text] According to observers of political life, the whole matter of forming a new cabinet has collapsed over the person of Leszek Balcerowicz, the present deputy prime minister and minister of finance in Prime Minister Tadeusz Mazowiecki's government. Lawyer Jan Olszewski took the view that Leszek Balcerowicz ought only to hold the post of minister of finance in the new government. Lech Walesa in turn insisted that Balcerowicz should be deputy prime minister. Thus stalemate was reached.

No one needs convincing that economic issues must be quickly solved in the Republic. That is the basis of everything; it is more important than political issues. Deputy Prime Minister Balcerowicz is today becoming the proverbial decisive factor in the solving of the economic problems. There is nothing odd in that. The Balcerowicz plan and its further implementation with necessary corrections [introduced?] naturally constitute condition for our state to emerge from economic collapse. Above all the recognition of Deputy Prime Minister Balcerowicz internationally in the world of financiers is also not without significance. Let's not deceive ourselves. Without a large amount of hard currency which should enter the Polish market as quickly as possible and set the Polish economy in motion, we will not move an inch. In the existing situation, in which lawyer Jan Olszewski has given up trying to form a cabinet, that mission could be entrusted to Jan Krzysztof Bielecki [member of Gdansk based Congress of Liberal Democrats], Jaroslaw Kaczynski [one of the founders of the Center Alliance and editor of SOLIDARITY WEEKLY], or three other people, whose names have not been revealed by the president-elect. (?One thing is certain), Lech Walesa is interested in forming a government made up of specialists, young, competent, and dynamic people. We ought to know the name of the candidate for prime minister on Saturday, when Lech Walesa will be sworn in as president, although it cannot be ruled out that it may be made known earlier. A government must be formed quickly.

Mazowiecki Bids Farewell to Government Officials*LD1912232190 Warsaw PAP in English 2054 GMT
19 Dec 90*

[Text] Warsaw, Dec. 19—"We were taking part in a very important period in the history of our country, the forming of the state and its policy in the difficult period of advancing to full democracy," said Prime Minister Tadeusz Mazowiecki at a farewell meeting with members of the cabinet, heads of governmental bodies and senior ministerial staff at the Council of Ministers today.

The prime minister said that his government did a job which would be (properly) evaluated at certain moment and there was no use to argue about this assessment at present.

Mazowiecki thanked the participants in the meeting for their work and conveyed best Christmas wishes to them. The prime minister said he would like to see that the possible transfer of duties is carried out thoroughly and unobstructed as the interest of the state requires such an attitude. Mazowiecki also asked members of the cabinet to help the new administration in taking over the duties.

More Firms Declare Readiness for Privatization*AU1912123190 Warsaw RZECZPOSPOLITA
Economic and Law Section in Polish 14 Dec 90 p 1*

[Ewa Zychowicz report: "The Privatization Queue—What Happens After the First Five are Privatized"]

[Text] Television and newspaper advertisements are bombarding us with the names of enterprises that are in the process of being privatized, praising their solid financial condition and predicting good growth, but only the chairmen of the newly created companies owned by the state treasury, know the real implications behind the privatization process.

It is interesting to look closely not just at the enterprises that have already been launched onto the privatization waters by the offer of their shares to the general public, but also at those enterprises that—having satisfied all the formalities necessary to become a single shareholder company owned by the state treasury—are now waiting for the go ahead from the Ministry of Ownership Transformation to sell their share capital.

Leaving aside the first five enterprises that have already offered their shares to the public ("Tonsil" in Wrzesnia; "Prochnik" in Lodz; "Exbud" in Kielce; the Silesian Cable Factory; and the Krosno Glass Works), the following enterprises have now been transformed into single shareholder companies owned by the state treasury, namely: The Swinoujscie Ship Repair Yards; Computer Center for Naval Applications in Gdansk; "Wloczanka" Clothes Factory in Lodz; "Otmec" Silesian Leather Factory; the Olawa Steelworks; "Warszawa" Rolling Mills; "Elta" Transformers Factory in Lodz; "Fameta" Factory in Kedzierzyn; "Milfor" (previously the Processing Machinery Factory); the Swarzedz Furniture Factory; "Parnica" Ship Repair Yards in Szczecin; the Okocim Brewery; the Krakow Industrial Constructions Enterprise; the Inowroclaw Meat Processing Factory; and the Inowroclaw Paper Processing Machinery Factory.

This list now includes the Koszalin Brewery; the Precision Instrument Works in Pieszycko; the Cieszyn Cardboard Packaging Factory; "Ekomet" Civil Engineering and Land Improvement Enterprise in Sulechow; "Las" Forestry Products in Dobrzyca; "FSM" in Bielsko Biala; and the Kalisz Forestry Products Enterprise "Las" in Pleszew.

The enterprises that are waiting for the ministry's go-ahead to begin selling shares, report that production is continuing as before, but many employees consider that a decision must be taken soon. Swarzedz Furniture Factory has indicated that a sale of its shares should begin mid-January 1991, but the directors still do not know whether the promises of abolishing the infamous tax on earnings that exceed the officially set levels will be kept in relation to privatized companies. The future development of these companies depends on this.

Other enterprises have confirmed the same feelings of anxiety and uncertainty, because of the political changes in Poland and have complained of the poor communications between the Ministry for Ownership Transformations.

The enterprises who have begun selling their shares to the public have signalled many doubts about the way many of the problems associated with share sale have been tackled by the ministry and the banks responsible for conducting the sale.

Nobody knows the reason behind the ministry communication forbidding the enterprises from making enquiries at the banks in question how the share sale is proceeding and instructing the banks to observe strict secrecy in this matter.

Unofficial sources are indicating that the best selling shares are "Exbud" shares and it looks likely that all the shares offered for sale to the public will be sold by 21 December (450,000 shares of 50,000 zlotys nominal value each are offered at a price of 112,000 zlotys each. They are being sold in lots of five at a price of 560,000 zlotys per lot). In second place comes "Prochnik" company from Lodz.

From comments made by the share purchasers, it would appear that our banking system has not performed well under the pressure of the task that it was entrusted with. Banks have performed particularly slowly and the procedure linked with the sale purchase took an unacceptably long time. This has given rise to the suggestion that all the people who will not be able to complete formalities by the 21 December, should sign their names on the list for 27 December.

"Exbud" tried to deal with these problems by setting up 11 information points at all its branches where the public can find out more about the share sales and also to place definite purchase orders. "Exbud" employees can also purchase extra shares which have been offered to the general public if they want to acquire shares other than the employee shares allocated to them at preferential prices.

The conclusion that emerges from a review of the comments made by the enterprises that have changed their status is that the necessary infrastructure for this type of transaction is still poor. The ministry itself is working very hard, but it looks as if it has rather neglected its role of informing the enterprises. The banks have shown that they are not sufficiently equipped to transact this type of business and limited by the competence of their staff have been unable to cope with the demand.

One can only hope that all the institutions involved in the privatization process will function more efficiently as they gain experience of such transactions.

Ministry Spokesman on Alleged KGB Agents

LD1912184490 Warsaw PAP in English 1720 GMT
19 Dec 90

[Text] Warsaw, Dec. 19—Accusing anybody of having been or being a KGB agent requires the presentation of evidence, spokesman for the Interior Ministry Wojciech Wroblewski told PAP today in reference to the article headline "Fifth Column of KGB in Poland" carried recently by the CZAS KRAKOWSKI daily.

None of the three Interior Ministry officers mentioned by the paper has been trained in the Soviet Union, the spokesman added. He has already sent a letter to the editor in chief of the paper, saying that such revelations concerning persons posing a threat for the country and the state were typical of the long-gone period in which searched for and publicly exposed were alleged CIA agents and to which Poland does not want to come back anymore.

Timisoara Rally Marks Revolution Anniversary*AU1912215990 Bucharest ROMPRES in English
2033 GMT 19 Dec 90*

[Text] Bucharest ROMPRES, 19/12/1990—Wednesday, December 19, as part of the events commemorating one year since the December 1989 revolution in Timisoara, the session of papers on "The December 1989 Revolution in Timisoara, Its Implications and Significance for the New Romania" continued at Timisoara's "Timis" cinema hall.

At 3 p.m., a procession started from the Revolution Square on its way to "Electrobanat"-Elba where a meeting was staged to commemorate one year since the workers of that enterprise had risen against communist dictatorship. A memorial plaque of white marble was uncovered, bearing the words: "December 19, 1989 Electrobanat went on strike which rekindled in Timisoara the flame of the revolution against Ceausescu's and communist dictatorship." Participating in the march were thousands of strikers of that and other enterprises, as well as students and other citizens. A commemorative cultural programme performed by professional artist groups of Timisoara followed in the Revolution Square.

Parliament Proclamation on Revolution Anniversary*AU1912131190 Bucharest ADEVARUL in Romanian
14 Dec 90 pp 1, 5*

[Unattributed report: "Romanian Parliament Proclamation"]

[Text] We are on the eve of the first anniversary of our liberating revolution.

Begun in Timisoara on 16 December 1989, victorious in Bucharest on 22 December, and taking place throughout the country through the noteworthy contribution of the young generation, the Romanian revolution marks a unique event in our history of undeniable international importance.

The day of 22 December 1989 marks the overthrow—through force and sacrifice—of the communist dictatorship in Romania. The anti-Ceausescu and anticommunist revolution unfettered the Romanian people and secured them the chance to reembark on the natural road to democracy, complete freedom, and peace.

On the basis of the principle of separating state powers, a new power structure and a new system of institutions—Parliament, presidency, and government—were created after the 20 May 1990 elections.

The country's legislature has carried out intensive activity to adopt a balanced system of democratic laws proposed by the government or on its own initiative. These laws—formulated in the spirit of the ideals and values of the December revolution—are designed to guarantee complete freedom for the individual and society, encourage creativity and the spirit of enterprise,

and to place their provisions at the basis of the whole activity of the members of society, thus ensuring the functioning of a state of law on a solid and democratic foundation.

Given the complex and agitated social conditions, the Parliament has given priority to the protection of the citizen and to the cancellation of unjust laws.

Several laws were adopted on the basis of which the process of transition to the market economy, to encouraging private initiative, and ensuring the people's social protection began.

The commissions are discussing the land law, which is of vital importance for the farmers and Romania's agriculture; very soon it will be presented to the Parliament's plenary session, together with other bills dealing with the right of ownership.

The Commission for the Constitution has drawn up the basic principles of the future constitution of Romania. Important steps have also been taken toward integrating Romania's Parliament into international parliamentary relations.

The achievement of profound changes in all areas of social life is in itself a complex, difficult, and contradictory process.

The implementation of the program for economic, political, and social reform, which our country needs, can be accomplished only in an atmosphere of quiet, with the cooperation of all, and only if all political parties and formations and all our country's citizens understand this time and our prospects through mutual tolerance and, especially, through work.

Taking all this into consideration, the Parliament rejects any signs of violence from any source which may destabilize the country, condemns the authors of such irresponsible acts, and asks all people to have the wisdom which our forebears proved so many times in dramatic circumstances when they placed the country's and people's interests above everything else.

On the eve of the anniversary of the revolution, it is natural and necessary for us to welcome these great events while being prepared to celebrate them in peace and quiet. We ask the government to adopt—on the basis of a sincere and effective dialogue—decisions aimed at a wise settlement of legitimate demands and to take measures, in accordance with the law and with the requirements of observing the human dignity and citizens rights, to ensure the country's order and peace, so greatly desired by our people.

Citizens of the free Romanian homeland,

As the first Parliament of new Romania, it appeals to your spirit and conscience not to forget a single moment the heroes who, through their supreme sacrifice, made a decisive contribution to our country's liberation and rebirth! Let us be proud and let us be worthy of the noble

struggle and their sacrifice! On the Christian holidays, which have been given back to us by the December revolution, we wish you happy holidays and "many happy returns!"

Iliescu Views Talks With Civic Alliance Leaders

*AU1912210890 Bucharest Domestic Service
in Romanian 2000 GMT 19 Dec 90*

[Statement by President Ion Iliescu following meeting with delegation of the Civic Alliance Coordinating Committee at Cotroceni Palace in Bucharest; date not given—recorded]

[Text] As I said, at the initiative of the Civic Alliance, we organized this meeting, which was attended by six representatives of the leadership elected at the founding session of the Civic Alliance. The goal of the meeting was of an informative nature, that is, the representatives of the Alliance leadership presented their goals and targets and the character of this Alliance and how they intend to work.

They clearly stated that they are not a political organization; that they do not include organizations, only individual supporters, that is people; and that they do not have political aims, that is participation or some kind of involvement in the government. They presented their views on the [word indistinct] economic, political, and social situation in the country, a tense situation as we all know. They also referred to the difficulties and hardships facing the country today and emphasized the responsibilities incumbent on the powers that be and the government in connection with this tense situation. They also presented the solutions which they deemed useful to put forward in this respect, with a view to changing the course of events and ensure greater stability in the country.

Therefore, on the one hand, I positively assessed this platform as well as the intention to contribute as a moderating and considerate factor in the tackling of current developments and to thus assist the leadership in expanding the fields of knowledge and evaluation of the current situation in the country and finding most adequate solutions for solving problems.

With this idea, we are open to further contacts and exchanges of views of a constructive nature.

Participants Comment on Meeting

*AU1912212990 Bucharest ROMPRES in English
2054 GMT 19 Dec 90*

[“Dialogue at the Presidency With the Civic Alliance’s Delegation”—ROMPRES headline]

[Text] Bucharest ROMPRES, 19/12/1990—Wednesday, December 19, a meeting took place at Cotroceni Palace between Romania’s President, Mr. Ion Iliescu, and a delegation of six members of the Civic Alliance’s Steering Committee. The delegation consisted of Messrs.

Marian Munteanu, president of the organization, Nicolae Manolescu, Stelian Tanase, Petre Mihai Bacanu, Mircea Sevaciuc and Alexandru Popovici.

The dialogue which lasted over two hours focused on a survey of the present social, political and economic life in our country.

The members of the delegation also introduced the Civic Alliance’s Charter that includes that organization’s structure, objectives and ways of action. According to the delegates’ statement, the Civic Alliance is made of persons not organizations and was founded in an attempt to offer a moderate form of expression to voices in the social and political field and contribute to improving certain concrete conditions.

On the very occasion of that first meeting with the country’s president, the Civic Alliance’s representatives made suggestions to that effect, such suggestions as are also to be found in the programme adopted by the national convention a government of transition, early elections, a national referendum to establish the form of government.

Mr. Ion Iliescu declared himself open to any dialogue with political forces, associations and organizations and mentioned that the government’s present programme, approved by Parliament, is being applied with already visible results, but that the process is rather too complex for such results to be spectacular. Naturally, corrections can be made and any constructive suggestion is welcome, but to give up now that strategy to which the country’s bright minds contributed, would lead to economic chaos and render useless all efforts made so far.

After the meeting, Mr. Ion Iliescu and the Civic Alliance’s representatives made brief statements to the press, out of which we quote as follows:

Mr. Ion Iliescu: The meeting had an informative purpose. The representatives of the Alliance’s leadership introduced the structure, objectives and purpose of their organization and the way it is meant to act. They made their own appreciations regarding today’s economic, political and social situation of our country, the tension we are all aware of, the difficulties and hardships our country is facing today, with stress on the responsibility of the power and administration for the tension in the country. They made such suggestions as they thought useful so as to change the course of things and ensure more stability in the country. I appreciate as positive that programme and the declaration of their good intentions to contribute as a moderating, balancing factor in the approach to current processes and thus facilitate the executives’ access to a wider field of knowledge and help them appreciate the situation existing in the country today and think out the best solutions to it. Keeping that in mind we are open to further contacts and constructive exchanges of ideas.

Mr. Marian Munteanu: Our meeting today was very useful since we were able to convey to the president the

viewpoints that the civic alliance upholds and promotes. I think that such contacts are welcome still in future. We can thus learn certain things and we can also in our turn inform the president about the viewpoints of certain categories of our society on the troubling problems of this period. I am most satisfied with that contact. I believe it will bear fruit in the sense that the president will actually contribute to improving relations in our society. That is the issue we are most concerned about improving human relations. Let us put an end to suspicion, distrust and meanness.

Mr. Stelian Tanase: It was a first contact we made known our points of view resulting from our first national conference. A dialogue followed, sometimes from opposite positions, sometimes insufficient, I think, for both sides. But the important thing is that we had a dialogue, that we each said what we had to say and proved we were seeking solutions. We are satisfied about this first contact merely that it took place. Results are yet to be seen. We believe it was not useless.

Mr. Petre Mihai Bacanu: We informed Mr. Iliescu of the Civic Alliance's position, especially as to the critical situation our country is experiencing and we suggested a few variants, namely that the power should do something to regain credibility in the nation's eyes, but above all that it should rapidly solve the problems our country is facing these days. He was receptive to our suggestions but we don't naturally expect them to be adopted as such. However, the very fact that there was dialogue is a step forward, because the country's civic force must be taken into account.

Television TU Leader To Continue Hunger Strike

AU2012093790 Bucharest ROMANIA LIBERA
in Romanian 20 Dec 90 p 2

[Unsigned note: "Mr. Dumitru Iuga Declares"]

[Text] On 12 December 1990 in the afternoon, the Steering Collegium sent a note to the Free Trade Union of the Romanian Radio Television, which is tantamount to a death sentence for me. The discussions between the delegation of our trade union and the specialized parliamentary commission have yielded the same result.

Under these circumstances, I declare the following:

1. I will continue the hunger strike for an unlimited period, as I stated in the note presented to the Romanian Parliament on 21 November 1990. If my health suddenly deteriorates, I will start a complete strike—giving up liquids—accelerate the end.
2. I will refuse all attempts to administer artificial "nourishment" to my body.
3. Taking into account the fact that my current state of health allows me to hold a short dialogue to the point, but does not allow me to travel; therefore, all the negotiations on solving this conflict will be held at the

headquarters of the Free Trade Union of the Romanian Television on 191 Dorobantilor Road, Room 206 (where my hunger strike is taking place).

4. As of this moment, the Free Trade Union of the Romanian Television is beginning to organize the last form of peaceful defense to which it is entitled in accordance with the provisions of its statute.

5. Any action taken by the administration of this institution and by the state administration bodies aimed at undermining our actions will be interpreted as an act of aggression against a FREE trade union and will facilitate a GENERAL STRIKE of the Free Trade Union of Romanian Television.

13 December 1990

Iuga Gives Up Hunger Strike

AU2012093990 Bucharest ROMPRES in English
0902 GMT 20 Dec 90

[Text] Bucharest, ROMPRES, 20/12/1990—The ROMPRES national news agency was sent in for release a communique from Dumitru Iuga, chairman of the Television Free Union, announcing his giving up the hunger strike. [sentence as received]

In the 19 days of fasting, I have lucid-mindedly pondered things over and have noted that my mission is by the side of the people who need me just like I need them. I think that the students, the citizens in Bucharest and in the provinces, the television colleagues were perfectly right to ask me these last few days to give up the hunger strike, the communique reads.

Since the union's claims have remained only on paper, Dumitru Iuga assesses, "I feel bound to join in the struggle of its members for the introduction of an urbane climate of work, for morality and professionalism in the Romanian Television, for the observance of our dignity, social rights and interests".

A medical report appended to the communique shows that while on hunger strike Mr. Iuga's weight dropped from 65 kgs to 54.1 kgs.

Polytechnic Institute Students' Demonstrate

AU1912165290 Bucharest ROMPRES in English
1556 GMT 19 Dec 90

[Text] Bucharest ROMPRES, 19/12/1990—Wednesday, under heavy atmospheric conditions, the protest march of the Polytechnic Institute students now on strike began in Bucharest as sign of solidarity with the leader of the Romanian Television's Free Trade Union, Dumitru Iuga, who has been hunger striking for 19 days now.

The action was organized by the League of the Bucharest Polytechnic Institute students and is backed by the Society of the Medical Students. It is authorised by the capital's Police Department, which ensures the demonstrators' security.

MADISZ Calls For Government's Resignation

AU1912165190 Bucharest ROMPRES in English
1554 GMT 19 Dec 90

[Text] Bucharest ROMPRES, 19/12/1990—The Democratic Union of the Hungarian Youth (MADISZ) sent ROMPRES a statement in which it expresses its full solidarity with the students' request on general strike and with the position of the Romanian Television's Free Trade Union.

The statement demands, inter alia, the organization of local elections as soon as possible, the immediate resignation of the prime minister and his government. It also demands that President Ion Iliescu resign immediately.

Baltazar Accused of Distorting Campeanu Statements

AU1912195690 Bucharest ROMPRES in English
1906 GMT 19 Dec 90

[Text] Bucharest ROMPRES, 19/12/1990—The Press Department of the National Liberal Party [PNL] released the following communique: In connection with the televised statement made in the evening of December 18, 1990 by the government's spokesman concerning the interview Mr. Radu Campeanu had granted for the BBC we want to make the following specifications: the sentences "quoted" by Mr. Bogdan Baltazar are taken away from their context, distorting thus the exact meaning of the statement having been made by the National Liberal Party leader who did not propose an opposition government but a government of national unity which implies the participation of political parties with parliamentary groups in the Senate and in the Assembly of Deputies.

Any other interpretation of the initial proposal represents but a deliberate distortion to the purpose of making the dialogue impossible and of creating an atmosphere of confusion and mistrust.

Local FSN Organizations Call For Calm

AU1912174590 Bucharest ROMPRES in English
1622 GMT 19 Dec 90

[Text] Bucharest ROMPRES, 19/12/1990—The National Salvation Front [FSN] organisations in the Iasi, Suceava, Botosani, Bacau, Neamt, Vaslui, Vrancea and Galati Counties launched an appeal sent to the ROMPRES correspondent in Iasi calling the country's inhabitants to calm, reason, tolerance and national consensus.

Let us fight the appeal reads so that the Romanian people have the supreme right to freedom, dignity, democracy.

Association of Free Youth Issues Communique

AU2012101690 Bucharest ROMPRES in English
0925 GMT 20 Dec 90

[Text] Bucharest, ROMPRES, 20/12/1990—The Association of Free Youth of Bucharest has released the following communique:

This week, when we mark one year since the events of December 1989, the members of the Association of Free Youth of Bucharest, the basic nucleus of which is made of the survivors of the bloody repression of December 21-22, 1989, pay pious homage to those who sacrificed themselves for justice and dignity, to those who shouted for the first time in a communist state ruled by a dictator: "Down with Communism" and "Freedom", to the young heroes killed by enemy bullets in Timisoara, Bucharest, Sibiu and the other cities of the country. We will keep their memory for ever. May they rest in peace.

Parties Discuss Political, Economic Situation

AU1912141290 Bucharest ROMPRES in English
1248 GMT 19 Dec 90

[Text] Bucharest, ROMPRES 19/12/1990—Consultations took place in Bucharest, on December 18, 1990, regarding the political, social and economic situation in Romania, participated in by representatives of the Agrarian Democratic Party of Romania, the Party of Romanian National Unity, the National Liberal Party—Young Wing, the National Democratic Party, the Party of National Reconstruction, the Party of Free Democratic Youth, as well as by deputies representing other political formations in the Parliament.

A release issued shows that the participant political formations deem above all, in this historic moment, the national unity and dignity, above differing ideological orientations.

We are for open and sincere dialogue of all political forces, for the seeking out of the best solutions to overcome the current crisis. The solutions must rely upon a generally accepted government program, the release reads.

Prime Minister Presents Land Law in Senate

AU1912135390 Bucharest Domestic Service
in Romanian 0900 GMT 19 Dec 90

[Speech by Prime Minister Petre Roman at the Senate session on the Land Bill in Bucharest on 19 December—recorded]

[Summary from poor reception] "Mr. President, Members of Parliament: There is a fully justified saying that every Romanian and every person on this earth has a peasant among his forebears; therefore, each one of us is deeply moved when we think about land and about owning land. The terrible distortion of the idea of land ownership to which we were subjected" for such a long

time placed "us in the incredible situation that Romania was not able—not even for the sake of self-sufficiency—to fully ensure the foodstuffs it needed.

"For this reason, today we are glad—but also somewhat distressed—that the foodstuffs aid that we have been given by the international community and the European Community have to come and are needed. The EEC decided yesterday that of the \$125 million worth of foodstuffs aid for Romania and Bulgaria 65 percent will be for Romania.

"As I said, however, this is reason for joy" just as "the idea that Romania can become an exceptional partner in the agricultural and food area" is a reason for joy "for those who have thought about us.

"In the application of the economic reform initiated by the government, we now have the draft of a fundamental law for the coming period: The law on the land stock, which is more simply known as the Land Law, which, in our view, is as important as the Constitution, if we bear in mind the traditions of this country. Romania has been and will always be a country of farmers, in the most beautiful sense of the word. Let us not forget that today humanity is confronted with a global and extremely difficult problem: The inability to communicate with the environment. Well, I believe that we, Romanians, and especially the people of the land—the farmers, the peasants—are the people who are able to lead us along this road of communication with the environment. The farmers' love for their ancestral land has been and will remain the foundation of this country—the wall that will protect it.

"We cannot build a big and prosperous Romania except on this foundation and the present law is designed to cleanse this sacred foundation of the crumbling and crooked establishment of communism. In fact, communism was also crushed in the struggle with the farmers.

This bill "is the fruit of the work carried out by a very large team of specialists from the Ministry of Agriculture and Food Industry, the Ministry of the Environment, and the Ministry of Justice coordinated by the government's Council for Reform. It was submitted for discussion by farmers and specialists in all our country's counties and was improved, to a large extent, by the proposals made. After being presented to Parliament in mid-October this year, it was subjected to a thorough examination by the specialized commissions, which proposed a number of amendments. These amendments are not at variance with the principles that form the foundation of this draft law; therefore, most of them have been endorsed by the initiator—that is, the government.

"The Land Law—in the version submitted to Parliament, that is, to you—proposes to provide for the right of land ownership, legal land transfer [*circulatia juridica a terenurilor*], the obligations of land owners regarding the use and protection of land, the abandoning of the use of certain lands for agricultural purposes, and the system of record-keeping with regard to land.

"In the absence of a Constitution or appropriate laws, the initiator deemed it necessary to come up with a law that will settle all these problems in a uniform way. This law is also in accordance with the basic principles of Romania's future Constitution, which has been drafted by the relevant commission. Apart from providing for the right of land ownership in general, the law also proposes to provide for" land ownership of cooperative members.

"The major principles that form the foundation of this law are as follows: First, through the effect of this law, no farmer should be without land. Second, what was granted on the basis of the decree-law of January—within the limits of the 5,000 square meters—must be considered as being granted for good. Private land ownership will be recognized in the case of all Romanian citizens residing in Romania and of juridical persons of Romanian origin with headquarters in Romania [*persoana juridica de nationalitatea Romana cu sediu in Romania*].

"Lands used for public purposes are divided according to public areas. The public area may be of national interest when the state is the owner and of local interest when the city hall is the owner of the land. Here I would like to quote a telling example: We have begun—and in some areas we have reached a very advanced stage—contacts to create the infrastructure of motorways and highways in Romania, which are so necessary" for our "country's joining Europe in order to capitalize at least on the tourist value of our country, but, of course, on other values of this country as well. Without setting up such a public area, this action may, therefore, not exactly be thwarted, but very difficult.

"Another principle regarding the legal transfer of land, which takes place in accordance with the civil code, provides for the following restrictions: Land owned by a natural person should not exceed 100 hectares; the division of land into small plots of land of 10 hectares—this figure is not yet definitively restrictive, so to say, if we bear in mind certain special situations." "Agricultural, public, and suburban lands, which are a vital and limited resource, may be used strictly for agricultural and forestry interests. The cultivation of agricultural land is compulsory. Suburban [*intravilan*] plots of lands are mainly used for urban constructions and facilities."

"The land register will be reorganized to ensure strict records of the land stocks from a technical, legal, and economic point of view. The right and obligation of the state to intervene through its administration bodies and its entire economic policy is recognized to: Preserve and improve the quality of the soil; work out land improvement programs of general interest; support the re-technologizing process of agriculture; stimulate the creation and development of viable land exploitation in all areas of our country; stimulate the development of rural communities.

"As far as the settlement of the cooperative members' ownership of agricultural production cooperative lands are concerned, the law is based on the following principles: We recognize the right of cooperative members and their heirs to own the land they contributed to the agricultural production cooperatives when registering as members; former cooperative members or their heirs once again become the owners of the lands they contributed to the given cooperative when registering as members under two condition—if they return to their locality and resume" their agricultural activity.

"Cooperative members who did not possess any land and the employees of the agricultural production cooperative will also receive lands and will be obligated to cultivate them. In areas with surplus plots of land, properties will also be granted to young families from other areas with the obligation to found farmsteads and to cultivate the land they have been granted."

"State agricultural units, intercooperative associations, and state cooperatives will be turned into limited companies while the state will preserve a controlling share. In this sense, the draft law on cooperative societies is being prepared, which is to be presented to you. You have to recognize the farmers' right to work their land individually or within associations according to their free choice.

"From an economic viewpoint, this bill is an attempt to break the paralysis of the collectivist organizational system of agriculture; to create viable forms of agricultural exploitation, private farms, associations, or limited or cooperative trading companies; to liberalize the transfer of land in order to concentrate it on the basis of criteria of economic efficiency; to expand the market economy in the agricultural area, reduce state intervention in agriculture by renouncing the role of the state as an economic agent and by assuming the role of a guarantor of general interests."

"The draft law proposes to achieve a balance between the fundamental rights of the individual and the public interest.

"Regulating the right of ownership with regard to agricultural land and forestry, the draft takes into consideration the limited nature" and "importance of these resources and the fact that it must ensure work for a certain social category as well as food for the whole of society.

"I mentioned the amendments proposed by the specialized commission and other parliamentarians. We believe that it is not good to endorse the amendment referring to the elimination of the provision" about "the distribution of land in areas smaller than 10 hectares—at that point I mentioned that there is a problem in connection with certain regions in Transylvania—because this might lead to an excessive division of the agricultural lands.

"However, this division cannot be avoided in those cases in which we have to observe our most important obligations, that is, that through the provisions of the law no peasant should remain without land.

"Likewise, we do not share the views on the amendment on returning land in accordance with the old bases, because that system would prevent the possibility of landowners setting up joint associations.

"On the other hand, we insist on the government's proposal that the new landowners, and those who return to the countryside, should be obliged to cultivate the land themselves.

"We ask that the amendment that stipulates that land owned by state agricultural enterprises should become public property not be accepted because this would be at variance with law No. 15/1990 and would especially hamper the commercial management of the land in question. We held a discussion on this issue yesterday and I believe that we should simply clarify the fact that" limited companies in which the state is the majority shareholder should be run on a commercial basis by the state while, "from the point of view of the general interest, the state's majority share holding will be sufficient to maintain control over the essential levers."

"Finally, we cannot accept the complete cancellation of the debts of agricultural production cooperatives, when, through the provision of the decree-law No.43/1990 such cancellation has already taken place.

"Other cancellations will be carried out on a case by case basis, with corresponding provisions in the state budget.

"However, we endorse the other amendments, which represent the majority of the amendments, and we welcome them.

"Ladies and gentlemen, before concluding, I want to remind you that we have to fight a merciless and common enemy, that is time. The Romanian state and the whole of society is awaiting the elaboration of this law with justified anxiety.

"If Parliament endorses this law soon, it would mean a complete break with the old, centralized economy, and a decisive step toward a market economy.

"We believe that if 1989 is recorded as the year of our revolution, the year 1990 should be recorded as the year of the land law.

"Delay will not only increase social tension but will also place in question next year's agricultural production.

"Finally, please excuse my boldness when I say that it would have been good had there been among you people like Mos Ion Roata [famous Romanian peasant involved in 1918 unification]" whose words were always linked to the realities of our country" and I am absolutely confident that you, in the name of the many Mos Ion Roatas

of this country, will know how to return to these people what they have so long deserved.

"The time of great decisions has come. May God enlighten us. Thank you."

National Bank Governor on Pricing System

*AU1912153690 Bucharest ROMPRES in English
1354 GMT 19 Dec 90*

[Text] Bucharest ROMPRES 19/12/1990—"The Romanian national currency, the leu, does nothing but reflect the state of imbalance and throttle left to us by the communist regime," says Romania's National Bank Governor Mugur Isarescu in an interview with the daily "ROMANIA LIBERA," admitting also that, in many respects this state of things had worsened after the December 1989 revolution. The leu, specified Mr. Isarescu, is a currency with a very low purchasing power, deriving from an unrealistic price policy that maintained low fixed prices unrelated to real production costs for long periods of time, the whole price mechanism having been built in an arbitrary way, in no direct relation to market requirements, which gradually transformed it into a labyrinth from which the best specialists could hardly extricate themselves. "We found ourselves possessing an oversized heavy industry, with giant industrial units that could only be maintained at the expense of the consumer goods industries, which accounts for the scarcity of commodities on the market, which are no match for the money supply.

In the governor's opinion, our duty is to make the leu convertible for the home market, before we make it convertible for the external market by expanding its purchasing area so that the national currency could be spent not only on consumer goods, but also on services or in banking operations. This, of course does not exclude, on the contrary, it calls for a substantial growth of commodity production.

On answering the question whether the right moment was chosen for price liberalization, Mr. Mugur Isarescu upheld the government's choice for a liberalization before privatisation showing that ever since last spring the first signs appeared of a general economic deadlock caused by the collapse of planning gears, by an increasing waste of materials, corruption, misappropriation, by an ever lower standard of decisionmaking in the economy.

Under such circumstances, although price liberalization could have been better prepared, it was imperative to boost the birth of market mechanisms apt to take over the functions of the former central-planning apparatus. "Unfortunately," underlined the national bank official, "this deep flesh surgical operation, and I mean price liberalization as a means to unblock economic levers, was performed live, without anesthetic, which gave quite a shock to the population." In his view, what we need now is a period of "economic recovery."

For the near future, Mr. Isarescu does not fail to consider the average family budget, its purchasing power. The next steps of the reform are oriented to this effect, that is, to, first of all, a salary liberalization, subject of course to a certain financial discipline, to an economic restructuring, implying ridding ourselves from burdening inefficient economic units, and the implementation of the new financial, banking and fiscal system.

Will salary liberalization improve the purchasing power?

"Undoubtedly," said Mr. Isarescu, specifying that "a distinction should be made between the so-called general salary increment, like under the dictatorship, and the growth of purchasing power of those working in useful branches and sectors, which produce goods and services in high demand in society, in terms of efficiency and at reasonable prices."

Government Examines Finances, Supply Situation

*AU1912220290 Bucharest ROMPRES in English
2113 GMT 19 Dec 90*

[Text] Bucharest ROMPRES, 19/12/1990—On Wednesday Romania's Government met in its weekly session.

Analysis was made of the prospects of the economic activity in 1991, in that context reference being made to the talks the International Monetary Fund held with the Romanian relevant bodies. The International Monetary Fund supports the government's programme of reforms, emphasising, at the same time, certain aspects that should be taken care of, such as the administration of the balance of payments, the speeding-up of privatisation, the orientation of investments to those branches capable not only of manufacturing products but also of making profit for investors. It was appreciated that Romania needed a healthy administration in 1991. Analysis was made of the balance of payments and of the financing possibilities on behalf of the International Monetary Fund as well as on behalf of other international financial organisms.

The prime minister informed the members of the executive about the conclusions of a governmental team which had checked three large storehouses in Bucharest. The conclusion was that, although goods existed, the transportation means were not enough, labour was not well organised. There were also other anomalies that led to a deficient supply of goods and even to the depreciation of some of them. The government set certain measures to liquidate such states of affairs and to improve the population's supply with goods.

Daily Notes Tarom Employees Current Pay

*AU2012101890 Bucharest ROMPRES in English
0920 GMT 20 Dec 90*

["Social Life: 'Riders in the Sky' Ask for Sky-High Pay"—ROMPRES headline]

[Text] Bucharest, ROMPRES, 20/12/1990—"The truck drivers' pressure on the government has barely slowed down", notes daily ADEVARUL under the above headline, that their winged colleagues, the navigating staff of the Tarom have started the strike".

Referring to the strikers' claims, including a doubling or even trebling of their current pays (which are not of the lowest) the daily lists a few: aircraft commanding officer: pay of 22,500 lei, by 3,000 more than the prime minister's, for second pilot 18,000 lei, for the flying mechanic 17,000 lei, for a stewardess 12,500 lei, like a state secretary's.

Expert Denies Aviation Industry Close to Collapse

AU1912165590 Bucharest ROMPRES in English
1558 GMT 19 Dec 90

[Text] Bucharest ROMPRES, 19/12/1990—Lieutenant General Stefan Ispas, Doctor in Science, rector of the Technical Military Academy, shows in an article carried by daily "ADEVARUL" that "the Romanian aviation industry, relaunching a bright tradition, has manufactured a wide range of airplanes, helicopters, assemblies, both for the country's needs and for export.

To this, he reminded, we should add the over 30,000 engineers, mathematicians, other specialists trained in this country at the Aeronautics Faculty and various aeronautics schools and high schools which have enabled the Romanian industry to spare the country substantial hard currency expenditures, by its own efforts and by cooperation programmes with more than 30 countries on all continents.

This is in response to the allegations made by engineer Andrei Pintilie, head of the Machine Building Department, who, in a debate run by the 7 December issue of the daily "ADEVARUL," titled "The Romanian Aviation Industry on the Verge of Collapse," stated that the Romanian aircraft industry had been wrongly designed from the very beginning.

Relative to the discussions carried on whether the aircraft building factories should be reorganised as public corporations or commercial societies, Professor Ispas opts for the public corporation variant, integrated in a (state) national corporation, given the high technical standard of the products, their quality, the high costs of production and fixed assets, the destination of the products and the policy of many European countries in the field. Professor Ispas requests that the government should set up a panel to examine the matter and forward concrete proposals, apt to save a great Romanian achievement from degradation.

SZR Protests TV Contacts With Murdoch Trust

AU1912165690 Bucharest ROMPRES in English
1602 GMT 19 Dec 90

[Text] Bucharest ROMPRES, 19/12/1990—SZR [Journalists' Society of Romania]—TU Federation of the

Romanian Press—expresses its disapproval of the negotiations with the Murdoch Trust the director-general of the television, Razvan Theodorescu, announced in the Parliament on the opening of the second TV station. Murdoch represents precisely one of the 3-4 international press trusts to which the independent press across the world opposes, and the confusion, deliberately or not, between drawing foreign capital and winning monopolist positions in running the mass media can be fatal to the rather newly born free press of Romania. It would be still more serious if the negotiations with the Murdoch Trust were approved by government representatives. SZR protests against such an attitude mentioning that it has requested support against putting the Romanian journalism at the disposal of transnational trusts, including this desideratum in the 25 claims of the TU Federation.

Roman Receives Iraqi Deputy Foreign Minister

AU1912165090 Bucharest ROMPRES in English
1553 GMT 19 Dec 90

[Text] Bucharest ROMPRES, 19/12/1990—The most recent effects of the Gulf crisis were the topic of the Wednesday discussions between Romanian Prime Minister Petre Roman and Sa'd 'Abd-al Majid al Faysal, deputy foreign minister, head of the Iraqi delegation now on a visit in Romania. Opinions were exchanged concerning the international efforts for a political settlement of the gulf crisis.

Economic Official Receives IMF Delegation

AU1912174790 Bucharest ROMPRES in English
1620 GMT 19 Dec 90

[Text] Bucharest ROMPRES, 19/12/1990—On Wednesday Mr. Eugen Dijmarescu, minister of state in charge with economic orientation, had a new round of talks with a mission of the International Monetary Fund led by Mr. Mohsin Khan. The interview occasioned the approach of concrete aspects by means of which the International Monetary Fund could support the Romanian Government in implementing the economic reform. There were also discussed its prospects as well as a series of technical details. In that context, certain programmes of technical and financial assistance are to be finalized in January.

Iliescu Receives Moldova Republic Students

AU1912195390 Bucharest ROMPRES in English
1942 GMT 19 Dec 90

[Text] Bucharest ROMPRES, 19/12/1990—Wednesday evening President Ion Iliescu met at the Cotroceni Palace with a group of students from the Moldovan Republic who have started post-academic courses in Romania this autumn.

The Romanian head of state inquired about their learning and living conditions as well as about the way they were welcomed by their new colleagues.

The relations between the two countries and the possibilities for a future collaboration on multiple planes were also approached.

Joint Talks Held With Siemens Corporation

*AU1912202690 Bucharest ROMPRES in English
1956 GMT 19 Dec 90*

[Text] Bucharest ROMPRES, 19/12/1990—A press conference was organized in Bucharest by the Emcom joint-stock company and Siemens AG together with the Siemens representation for Romania on the official signing of the charter of the joint-stock company for the manufacture in Romania of digital telephone exchanges and for the commissioning of the first EWSD international digital telephone exchange supplied by Siemens.

The attendance included Messrs. Anton Vatasescu, minister of state in charge with industrial and trade activity, Anton Chirica, minister of telecommunications, Edwin Hard, president of the Siemens Company, Klaus Terfloth, Germany's ambassador to Romania, as well as representatives of the telecommunications departments of the German company and of the Romanian postal service.

Mr. Ion Tiriuc, representative of the Siemens company in Romania and Emcom chairman, emphasized the advantages of the Romanian-German collaboration in that important sector of activity and especially in the setting up of the Emcom joint-stock company which gave the Romanian industry the possibility to modernize and manufacture high tech equipment for telecommunications.

Mr. Anton Vatasescu expressed his satisfaction at the commissioning in Bucharest of the first international digital telephone exchange supplied by Siemens as well as at the setting up of the Emcom joint-stock company which was an opportunity to modernize Romanian telecommunications. Mr. Anton Vatasescu specified that the Romanian Government did not participate in the setting up of that company and that it was set up without governmental support, in keeping with the existing laws.

Mr. Edwin Hart, president of the Siemens company, underscored that the negotiations with the Romanian side were good and ended in important results, namely the commissioning of the first digital telephone exchange and the concluding of a cooperation agreement with "Electromagnetica," which represented the beginning of a fruitful Romanian-German collaboration in telecommunications.

Answering the journalists' questions, Mr. Andrei Chirica, minister of telecommunications, showed that at least one billion dollars would be necessary every year to modernize Romanian telecommunications in about five years. That sum Mr. Vatasescu intervened will not be paid by the government, but it will come from their own resources.

New Telephone Exchange To Be Built

*AU2012094390 Bucharest ROMPRES in English
0821 GMT 20 Dec 90*

[Text] Bucharest, ROMPRES 20/12/1990—Electromagnetica, Romania's biggest producer of telecommunication apparatus, the Society of the Romanian Posts, Rom Post Telecom and the Siemens company have concluded a contract on a joint company.

Under the contract, the manufacturing will start of the EWSD telecommunication system, as well as of other modern installations. 100,000 lines are planned to be manufactured in the first year, 250,000 lines in the second and 500,000 in the third.

The EWSD digital communication system fit both for local, big or small telephone exchanges, and for transit exchanges, is already in operation in Romania, with a digital exchange in Bucharest.

The 20.00 million DM investments necessary for the joint company in a first stage will be increased by some 15.00 million DM in the next two years of production.

The Siemens' contribution to the EMCOM joint company is of 49 percent and the Romanian partners' 51 percent.

The manufacturing, sale and technical support activities will generate over 800 new jobs in EMCOM.

The Siemens will support subsequent deliveries and investments needed by the joint company, giving advantageous gains.

Credit Agreement With French Banks for Grain

*AU2012101390 Bucharest ROMPRES in English
0925 GMT 20 Dec 90*

[Text] Bucharest, ROMPRES, 20/12/1990—The (Nationalized) Banque National de Paris and the Banque Francaise du Commerce Exterieur have signed a credit agreement with the Romanian Bank for Foreign Trade for the purchase of 800,000 tonnes of grains from France. Under the contract, 500,000 tonnes of wheat and 300,000 tonnes of Barley will be delivered to Romania shortly.

Assembly Issues Conclusions on Slovene Plebiscite

Deems Planned Vote Unconstitutional

LD1912215690 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1817 GMT 19 Dec 90

["Text of Conclusions on Plebiscite"—TANJUG headline]

[Text] Belgrade, 19 Dec (TANJUG)—The Federal Chamber of the SFRY Assembly has examined the possible consequences of the implementation of the law on the plebiscite on the autonomy and independence of the Republic of Slovenia and the obligations of the SFRY Assembly and has adopted the following conclusions:

Considering the law on the plebiscite on the autonomy and independence of the Republic of Slovenia and other documents of the Republic of Slovenia which regulate and define in more detail the political and constitutional-legal significance of the plebiscite in the Republic of Slovenia, the Federal Chamber considers that this is a case of secession of the Republic of Slovenia from the SFRY, which represents an unconstitutional and unilateral act whereby an attempt is being made to impose on the other Yugoslav republics, by a policy of *fait accompli*, a decision adopted independently of their rights and interests.

Bearing in mind the current assessment of the situation and the profundity of the economic, political, and in particular, the constitutional-legal crisis in the SFRY, which is increasingly threatening the sovereignty and territorial integrity of the SFRY, the chamber considers that it is essential to accelerate the work on drafting and adopting the act on the resolution of the constitutional crisis in Yugoslavia, to overcome the present situation in a legal, democratic, and peaceful way.

To this end, the chamber has asked the SFRY Assembly Commission for Constitutional Issues to formulate and deliver to the chamber by the end of December 1990 the text of an act on the method and procedure for resolving the constitutional crisis in Yugoslavia. This will, in the opinion of the chamber, create the necessary prerequisites for reaching an agreement on the future system of relations within the Yugoslav community.

The chamber again stresses the need, until the adoption of an act that will regulate relations in Yugoslavia in a new way, for all subjects to refrain from the adoption of acts and measures which, in a unilateral way and to the detriment of other nations, alter the relations established by the Constitution of the SFRY, that is, to refrain from the application of such acts.

At the same time, the chamber considers it essential—and is resolute in its demand—that all federal organs and federal organizations, including the SFRY Presidency, should, within the framework of their constitutional powers and responsibilities, take all measures to implement the SFRY Constitution and execute federal laws, with the aim of realizing the socioeconomic and political

reforms that have been started and preserving the sovereignty and territorial integrity of Yugoslavia.

The assembly of every republic may call a referendum to allow citizens to express their personal opinion in advance on certain issues within its competence. Such a vote by citizens may not alter the relations in the Yugoslav federation laid down in the SFRY Constitution. These changes may only be carried out in accordance with the procedure set out in the SFRY Constitution, that is by another procedure and in a manner established by agreement to be in the joint interests of all the nations of Yugoslavia.

The Federal Chamber calls on the Federal Executive Council (FEC), from the point of view of its obligation to guarantee the constitutional order of Yugoslavia and the economic, political, and international interests and constitutional rights of Yugoslavia as a whole and the interests of its federal units, to examine and assess comprehensively, with full responsibility, and promptly the decisions and measures being taken by the organs of the Republic of Slovenia on the basis of the law on the plebiscite on the autonomy and independence of the Republic of Slovenia.

If acts are adopted and actions taken in the Republic of Slovenia that have detrimental consequences for the other Yugoslav nations and republics, that is, for Yugoslavia as a whole, the FEC will, depending on the content of these decisions, take the appropriate measures within the framework of its constitutional powers or propose to the SFRY Assembly and other federal organs the adoption of the necessary measures and activities to ensure that actions aimed at secession are not realized in a way that is illegal from the point of view of the SFRY Constitution and international acts, and to protect the legal and vital interests and rights of Yugoslavia as a whole and of its federal units.

The Federal Chamber asks the FEC to promptly inform the SFRY Assembly about the situation with regard to the plebiscite in the Republic of Slovenia and the measures and activities taken in this connection.

The Federal Chamber, in accordance with Article 387 of the SFRY Constitution, is starting proceedings in the Constitutional Court of Yugoslavia to assess the constitutionality of the law on the plebiscite on the autonomy and independence of the Republic of Slovenia.

At the same time, the chamber is proposing to the Constitutional Court of Yugoslavia that until the adoption of a final decision, under the terms of Article 379 of the SFRY Constitution it should order a halt to all activities connected with carrying out the plebiscite—activities that are to be taken on the basis of the law on the plebiscite on the autonomy and independence of the Republic of Slovenia—considering that the implementation of the referendum may give rise to inevitable harmful consequences for the equality of the nations and nationalities of Yugoslavia and the integrity of the SFRY.

Delegate Tries To Block Debate

*LD1912102190 Belgrade TANJUG Domestic Service
in Serbo-Croatian 0846 GMT 19 Dec 90*

[Text] Belgrade, 19 Dec (TANJUG)—The session of the Federal Chamber of the Yugoslav Assembly, dedicated to the possible consequences of the impending plebiscite on Slovene autonomy and independence, began with the demand by this republic's delegation that this issue not be discussed today.

Explaining this demand, delegate Bozo Kovac [name as received] suggested that the debate on all the decisions and measures so far which change the social system in Yugoslavia, including the Slovene referendum, should be conducted after the referendum. Kovac asked that the discussion on the constitutional commission's proposal on how to get out of the constitutional crisis in a democratic and peaceful way be held in the Assembly as soon as possible.

If the plebiscite in Slovenia is discussed today, said Kovac, the delegation from this republic will not take part in the decisionmaking process. Boris Kovac's [name as received] proposal was rejected by a majority of the delegates.

Slovenia Urged To Desist

*LD1912165290 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1607 GMT 19 Dec 90*

[Text] Belgrade, 19 Dec (TANJUG)—Following a six-hour discussion, the Federal Chamber of the SFRY Assembly has adopted conclusions on the possible consequences of enforcing the law governing the plebiscite on Slovene independence.

Delegates have endorsed the statement of the SFRY Presidency concluding that the plebiscite is an unilateral act of secession from the SFRY, through which Slovenia is trying to impose, as a fait accompli, solutions on other republics irrespective of their rights and interests.

The Federal Chamber asked the constitutional court to set in motion the procedure for assessing the constitutionality of the law on plebiscite as a matter of urgency, and recommended that the Slovene Assembly desist from implementing the law on plebiscite, in the light of its possible consequences.

The Federal Chamber is required in due time to look into and, in line with its competencies, undertake measures against activities of Slovene bodies aimed at secession from Yugoslavia.

Slovene Officials Discuss Secession

*AU1912215890 Zagreb VJESNIK in Serbo-Croatian
17 Dec 90 p 14*

[Borislav Djurdjevic report: "Passports After the Plebiscite"]

[Text] Ljutomer—Despite the bad weather, around one thousand citizens of this Slovene border commune came to a meeting which was addressed by, among others, Joze Pucnik, Miran Potrc, Dimitrij Rupel, Rajko Pirnat, and other Slovene political leaders, who called on the citizens to vote "yes" in the plebiscite.

Joze Pucnik said that the plebiscite is the only opportunity for Slovenia to finally be rid of Yugoslavia. He advocated that Slovenia be fully independent without any confederal arrangements with anyone. According to Pucnik, the international policy of an independent Slovenia will treat all neighbors equally.

Pucnik for Full Independence

Dr. Rajko Pirnat, judiciary minister, supported Pucnik and, calling on citizens to vote in favor of secession, said "that we in Slovenia will no longer hear and speak someone else's language and we will no longer have someone else's army, customs duties, and taxes on our territory. In the last 70 years, we have used only one-tenth of what we have earned, and since the outcome of the elections in Serbia, any further talks about Yugoslavia have become impossible."

Miran Potrc thought slightly differently and less harshly and said that the plebiscite represented confidence in Slovene politicians to organize an independent state and to conduct talks on links with other Yugoslav republics.

Medjimurje Is Not a Problem

Dr. Dimitrij Rupel, minister for relations with foreign countries, said that the Slovene government was preparing passports which will probably be produced soon and will most probably be valid even before the adoption of the constitution because they will be legalized through constitutional amendments. The task of producing the passports has been entrusted to the AERO Celje enterprise and at the moment there are two versions on the table which use the Slovene symbols of the Triglav mountain and the sea, symbols which are in circulation in Slovenia and some other states (which are common ones) are out of the question.

At the news conference, attention was drawn to the question of the village of Strigova on the Slovene-Croatian border between the communes of Ljutomer and Cakovce. That is to say, the inhabitants of this village are demanding that they vote in a plebiscite on joining Slovenia because they have more economic links with Slovenia than with Croatia. Dimitrij Rupel thought that this problem should not be a problem and that this was none of the church's business. On the other hand, leaders of the Ljutomer commune thought that this problem had been deliberately engineered 10 days before the plebiscite.

Disagreements Over Slovene Citizenship

Attention was also drawn to the question of citizenship for non-Slovenes. Pucnik expressly said that Slovenia

will not agree to compromises in this regard, that is to say, this issue will be treated as a social issue and not a national, political, or cultural one.

Dr. Rupel, on the other hand, thought that positive experience should be used and this issue should be resolved in a civilized way. Miran Potrc also spoke in a similar way and reminded Pucnik of the agreement between parties that all non-Slovenes who have not arranged Slovene citizenship could do this if they wanted to before the plebiscite and that a more restrictive approach to resolving citizenship would come after the plebiscite. In Potrc's view, all those who decide on Slovene citizenship will have all rights as citizens of Slovenia, and this also includes the question of education and the cultural question.

Drnovsek Deems Stances 'Harsh'

AU1912173990 Ljubljana Radio Slovenia Network
in Slovene 1430 GMT 19 Dec 90

[Text] In a statement he gave today to our radio and television, as well as to DELO and NEODVISNI DNEVNIK, Dr. Janez Drnovsek, member of the SFRY Presidency from Slovenia, said that the announcement issued after the session held by the collective state leadership yesterday was much harsher than the debate during the session. As is known, the Presidency discussed Sunday's [23 December] plebiscite in Slovenia. Let us now hear what Dr. Janez Drnovsek said in his statement today:

[Begin Drnovsek recording] The stances the Presidency issued yesterday concerning the Slovene plebiscite, somewhat upset the Slovene public. I must say that I also think the stances were certainly too harsh and not particularly politically wise. During recent months we have already had such situations several times in which the Federal Presidency, through its stances, in fact made the situation even worse instead of seeking some political solutions acceptable to everybody.

I had to dissociate myself from these stances several times, and warned several times that we are using unequal criteria for different republics, particularly when we discussed some constitutional and unconstitutional questions where we had double standards. In such a situation a republic seeks other variants instead of negotiating on the federal option.

If we discuss the debate yesterday, I must say that the debate was not so full of conflict as it seems from the stances issued, that nobody called the plebiscite into question, that nobody called into question the right of the republic and the Slovenes to self-determination and to secession which may ensue from it. What was particularly questioned was the way, that is, methods to be used after the plebiscite, what will happen after the plebiscite, whether this would be done in agreement with the federation or through one-sided Slovene activity.

As concerns specific measures and stances that the Presidency requested of the SFRY Assembly and the Federal Executive Council, one should see them as something that will happen after the plebiscite and not as something that would call the plebiscite itself into question.

All this was helped by views of some Slovene politicians who do not want to talk about the situation and the relations between Slovenia and the other parts of Yugoslavia within the Federation and within the federal bodies, but want to have direct talks between republics.

On the other hand, some of the Presidency's stands are related to the fact that it has so far mostly rejected the confederate proposal which Slovenia offered as the only acceptable variant after the plebiscite, so the majority of the Presidency members consider it more acceptable either to simply have Slovenia secede or join the federal option. One has to view this statement, which was issued for the public after yesterday's session, from this angle as well. [end recording]

Concerning the meeting he had yesterday with Serbian President Slobodan Milosevic, Dr. Janez Drnovsek, member of the SFRY Presidency, said today that they discussed the possibilities for cooperation between republics after the Serbian elections and the Slovene plebiscite on Sunday. Dr. Janez Drnovsek also said that he will meet Slobodan Milosevic again because Milosevic has also shown readiness for future cooperation.

Majority of Slovenes Polled Support Independence

AU1912150890

[Editorial Report] Ljubljana DELO in Slovene on 14 December on pages 1 and 3 carries a 900-word report by Jana Taskar entitled "The Public on the Plebiscite" on results of an opinion poll conducted by the DELO-Stik Agency on the plebiscite on Slovenia's independence. According to the report, the poll was conducted in the field on 12 December among a representative sample of 1461 respondents in nine communes.

The report contains the following poll results (figures in percentages):

Table 1: How will you vote at the plebiscite:

For	92.0
Against	1.7
Do not know	6.3

Table 2: Will you participate in the plebiscite:

Yes	94.8
No	2.3
Do not know	2.9

Table 3: "Do you believe that Slovene political representatives, that is, the Government, the Presidency, and the Assembly, will manage to get Slovenia out of the present crisis and bring it into Europe as an independent and successful state?"

Hope they will manage to do so, although it will not be easy	58.6
Fully convinced that they will manage to do so	16.6
Do not know	3.8
They will not manage	2.8
Small chance that they will manage	7.0
Chances for success and failure are equal	11.3

Slovene Talks With Other Republics Viewed

AU1912161690 Belgrade BORBA in Serbo-Croatian
14 Dec 90 p 1

[Veselin Simonovic commentary: "The Wrong Sequence of Moves"]

[Text] The Slovene Government has already proclaimed Slovenia's sovereignty three times and is now intending to confirm this with a plebiscite. After weak resistance, it has succeeded in also acquiring the opposition's favor, primarily with blackmail: Either you will agree to the scheduling of a plebiscite on independence or you will have to bear the burden of being traitors to the nation. With such preparations, it is almost certain that the plebiscite will show that most of this republic's citizens are in favor of an independent and autonomous Slovenia. As the government claims that the act of becoming independent will not automatically mean secession, the question arises of why they need a plebiscite at all. Additional confusion has also been caused by the Slovene delegations which have in the last few days been visiting the governments in the other republics and explaining their "good" intentions to them.

The ruling coalition needs the plebiscite not only because it promised an independent state to voters but above all to restrengthen its present shaky position.

If the only aim of the plebiscite is the independence and autonomy of the Slovene state, the authorities would not have to persuade the other parts of Yugoslavia, as it is doing now, that it does not yet want to secede and that its confederal proposal still applies. According to official statements, they have found it easiest to convince the Croatian Government of their intentions. The leadership of Croatia has supported the decisions of the Slovene Government but it seems that it has still been concealed from the public that with this act, Slovenia is making the position of its ally more difficult because it is taking steps which, because of the specific position that this republic finds itself in, the Croatian Government cannot follow.

Representatives of the Slovene delegation, which was made up of several parties, explained to its allies in Croatia that in six months' time it will be offering to all

republics the adoption of an agreement on the cessation of the present federation, that is to say, on a confederation or economic cooperation within the framework of the geographical concept of the SFRY. The Croatian Government has a different scenario for resolving the Yugoslav crisis, although it agrees that there is not much difference between the Slovene plebiscite and the new Croatian constitution. However, the Slovene delegation received a warning from the Croatian opposition not to proceed with a policy of *fait accompli*.

Slovene delegations have also been in Macedonia and Bosnia-Herzegovina and were in Montenegro yesterday, while the Vojvodina authorities withheld hospitality from them with the response that this was the responsibility of the Federal Chamber of the SFRY Assembly. Such a discussion was sought at yesterday's session of the Federal Chamber by delegates from Serbia, Montenegro, and Macedonia, while the delegates from Slovenia and Croatia were of course against this...

The Slovene delegations were not given the support of the old assembly leaderships in Bosnia-Herzegovina and Macedonia. Perhaps the new authorities in Bosnia-Herzegovina and, to a certain extent, in Macedonia will change their stands slightly, but it is obvious that the plebiscite will not encounter the approval of most of Yugoslavia.

It is therefore obvious that the Slovene Government has confused the sequence of moves: They hurried with a plebiscite before holding talks with the legitimately elected authorities in the other republics on the future of Yugoslavia so that they themselves doomed these visits to failure with this wrong sequence of moves. Scheduling the plebiscite after possibly unsuccessful negotiations on a new Yugoslavia would have been a more logical sequence.

Tudjman, Kucan Discuss Relations, Confederation

AU1912194090 Sarajevo OSLOBODJENJE
in Serbo-Croatian 9 Dec 90 p 2

[Zoran Odic report: "Kucan Ready Even To Resign"]

[Text] Celje, 8 Dec—The presidents of Slovenia and Croatia, Milan Kucan and Franjo Tudjman, met in Celje where they held a three-hour talk in the Hotel Europa on the topic "What Kind of Yugoslavia as a Confederation?" The meeting was held to mark the 120th anniversary of the Celje Charter which was signed by the advocates of the Serbian-Croatian-Slovene, that is, Yugoslav rapprochement. The Croatian side expressed the wish to and prepared documents for endorsing the new political relations between the two republics. The signing of a new Celje charter did not take place, but this detail did not lessen the interesting nature of the talks which produced, if not new, at least old answers supplemented with more precise explanations. One of the most interesting answers was certainly the answer given by Franjo Tudjman to a question for which our paper has been seeking a reply for two days already following

Domljan's [Zarko Domljan, president of the Croatian Assembly] statement on the Croatian leadership's concern on the position of Croats in Bosnia-Herzegovina.

Tudjman was asked: "You mentioned the problem of Croats in Bosnia-Herzegovina. What is their problem, and how will you solve it? Will you solve only their problem or will you also work on the problem of Croats living in Vojvodina? Will you solve these problems in the same way the problem of Serb minority in Croatia is being solved?"

Tudjman first replied to the part of the question which referred to the rights of Serbs in Croatia saying that it is up to "the citizens themselves where they want to live, but if they want to live here, they must respect this country as their homeland, or they should look for their own homeland where it actually is and settle there. In Croatia we have reached the level at which we recognize the sovereignty of citizens, but do not allow anarchy which would imperil the existing state system of national states. Seeking further rights other than all civil rights, is outside the historic concept, as is the case everywhere else in the world."

Cohabitation Is Possible

"Bosnia-Herzegovina and Croats living outside Croatia are a different matter," Tudjman said. "There is a small number of Croats living in Srem and Backa and their problem is more difficult to solve in the territorial sense than in the sense of guaranteeing civil rights on a reciprocal basis and similar things. The problem of Bosnia-Herzegovina is something else. For a large part of its history Bosnia-Herzegovina was part of the Croatian kingdom. All these questions are questions which have their own historic foundations. The fact is that it was not only the Catholic part of the population that voted for the Croatian Democratic Community in the elections. Therefore, these people, who have been exposed to great repression, have demonstrated who they are for. Besides, we have a large number of Muslims in the Republic of Croatia, and in Bosnia-Herzegovina itself, who openly declare themselves Croats of Muslim religion. I have heard religious leaders saying that 80-90 percent of their followers in Croatia claim that they are Croats. The elections in Bosnia-Herzegovina gave prominence to this togetherness, not only in terms of language but also in terms of unity, links, and a common destiny. Bosnia-Herzegovina with Croatia and Croatia with Bosnia-Herzegovina constitute an entirety in the commercial and geopolitical sense, so that the life of one without the other is presently difficult to imagine. However, we in Croatia said that we recognize the borders of Bosnia-Herzegovina as a state created by AVNOJ [Anti-Fascist Council of National Liberation of Yugoslavia], although one should recall that when the borders of the AVNOJ Yugoslavia were being drawn, there were serious proposals that Bosnia-Herzegovina should become an autonomous province of Croatia, like Vojvodina became an autonomous province of Serbia. One should also recall that when the former Yugoslavia experienced the

state crisis, when the question of its existence arose on the eve of World War II, the region [banovina] of Croatia was created and its borders were completely different from the borders of the present day Croatia. It included all of western Herzegovina and western Bosnia with Mostar, and the districts with Croatian people in the Bosnian part of the Sava basin. Other parts of Bosnia also talked about autonomy. Today, when maps of greater Serbia are published—and they started to be published last year—we, as the Croatian Democratic Community prior to the elections, stated, and, as the current authority, state that we respect the borders of Bosnia-Herzegovina. However, if somebody starts getting ideas about creating a greater Serbia at the expense of the Croatian territory and the Croatian people, then they are certainly raising the question of the borders of Croatia and Bosnia-Herzegovina. One must clearly stress that despite the attempts of the Chetnik elements to cause unrest, the policy of the Croatian Democratic Community and the Croatian people, especially Muslims, created conditions in Bosnia-Herzegovina during the elections for peaceful elections and for an agreement to be reached between Muslims, Croats, and Bosnian Serbs on creating a democratic coalition government. This proves that cohabitation is possible and openly raises the question of whether the responsible creators of the Serbian policy will accept the system that would emerge from the elections, or whether they will create situations favoring the creation of a greater Serbia. How this question is formulated will be one of the key questions for the future development," Tudjman said.

The Right To A Different Opinion

Answering other questions, Tudjman said that Croatia will never reach any agreement with Serbia at the expense of Slovenia and that he expects that after the adoption of the Croatian constitution and the plebiscite in Slovenia an agreement on a confederation between Croatia and Slovenia on the principles of the EC agreement will be signed after all. Kucan said that he sees relations in Yugoslavia more along the lines of the agreement that exists among the Commonwealth countries. Speaking about the character of the future relations he said that the new Yugoslav agreement could be reached only by sovereign and equal states which will not shrink from one another or accept the hegemony of some at the expense of the others.

Not arguing with Tudjman directly, but immediately after his statements on the position of Serbs in Croatia, Kucan said that such an agreement can only be reached by democratic states. The measure of internal political democracy is not the rule of the majority, but respect for the rights of the minority. Stressing that he was referring to certain discussions in the Slovene Assembly conducted during the adoption of the law on plebiscite, he said that for him the plebiscite is only the creation of conditions for Slovenia to achieve such a degree of equality with other Yugoslav republics that would enable it to take part in the negotiations on the new historic agreement among the Yugoslav people.

"I have been striving for a better Yugoslavia for years, I have staked my integrity on it. In my view the plebiscite serves this purpose. If the plebiscite does not succeed, this means that I have not succeeded. The least that would be expected from me is to resign, because only other people can achieve the different aims of the Slovene people. The democratic nature of this plebiscite lies in the fact that I can openly say why I am in favor of it and others can say why they are against it. What would be undemocratic would be for somebody to be beaten up because he thinks differently."

Private Weekly Carries Unsigned Charter

AU1912202390 Belgrade BORBA in Serbo-Croatian
13 Dec 90 p 4

[S. Festic report: "A Confederation in Seven Points"]

[Text] Maribor—In today's issue, the private weekly NOVO DOBA, which is published by a group of journalists from Celje (the responsible editor is the well-known Slovene journalist Janez Sever-Nani) carries, among other things, a copy of the unsigned charter which was proposed to the Slovene delegation, headed by Milan Kucan, president of the Republic of Slovenia, by the Croatian delegation, headed by Dr. Franjo Tudjman, on 7 December in Celje.

Despite the fact that this unsigned charter, proposed by Croatia, bears the word "attention" [pozor] (the working version has the importance of a state secret), NOVA DOBA carries in its fifth edition a complete copy of the charter.

The "Draft for a Celje Agreement—Protocol" says among other things:

"On the firm basis of a thousand years of good-neighborliness and the cohabitation of the Slovene and Croatian peoples since the days of national renewal of 1848, dialogue between the leaders of the two peoples has continually progressed in the direction of seeking a more appropriate way of institutionalizing mutual relations on modern state and international legal principles.

"Several events are worth mentioning from this entire period but today we particularly recall the 'Ljubljana Congress' that was held from 1 to 3 December 1870.

"We are marking the 120th anniversary of this key moment in the history of Croatian-Slovene friendship and cooperation at a time when the democratically elected governments and leaderships in the Republic of Croatia and the Republic of Slovenia are advocating the formulation of a new interstate agreement between the peoples and republics of present-day SFRY on confederal bases.

"Motivated by the same high aims as the Croatian and Slovene popular leaders 120 years ago, Dr. Franjo Tudjman, president of the Republic of Croatia, and Milan Kucan, president of the Presidency of the Republic of Slovenia, have, during this meeting and talks held in

Celje on 7 December 1990, reached the following agreement (protocol) on the intentions and basic principles in the institutionalization of future relations between the Republic of Croatia and the Republic of Slovenia.

"First, that Croatia and Slovenia mutually recognize each other's rights to survival, independence (autonomy), equality, and international status [subjektivitet] and respect. They mutually commit themselves to not interfering in domestic business responsibilities except when this is allowed by the rules of international law or this agreement.

"Second, that Croatia and Slovenia recognize each others' status of sovereign state and territorial integrity and obligate each other to refrain from actions which could harm the state sovereignty and territorial integrity of either state.

"Third, that Croatia and Slovenia are committed to guaranteeing in their new constitutions and laws equal rights and freedoms for all their citizens, regardless of their ethnic affiliation and other differences.

"Fourth, that Croatia and Slovenia commit each other to particularly recognizing and respecting the full range of rights, equal participation in political decisionmaking, the language and script, and the cultural institutions of the members of these peoples and minorities which live on their territory, in line with the generally-recognized norms of international law.

"Fifth, that Croatia and Slovenia will hold joint consultations regarding the interpretation and implementation of this agreement, and the possible differences and disputes that could arise on this occasion will be resolved through joint negotiations.

"Sixth, that this agreement is also open to the other republics and peoples of the present SFRY, that is to say, that Croatia and Slovenia are not prevented from maintaining relations with third states, which also includes the right to conclude bilateral or multilateral agreements which are not at variance with this agreement.

"Seventh, the basic purpose of this agreement is to serve as a political basis and guide in further negotiations between Croatia and Slovenia and all the other republics and peoples of the present SFRY with the aim of reaching a new interstate agreement on confederal principles.

"Completed in the town of Celje on 7 December in two copies, in Croatian and Slovene, which are identical and of equal validity."

According to the article in the Celje newspaper NOVO DOBA, this charter was not signed. Instead of signing this charter on the talks, the delegations present signed the visitors' book in the Celje Communal Assembly which was given them to sign by Anton Rojec, this town's president. It is not known at the moment why this charter was not signed by Croatia and Slovenia: This is a secret which can only be guessed at.

[The following passage appears boxed within the body of the item]

Sovereignty and Then a Signature

As reasons why Milan Kucan, president of the Presidency of Slovenia, did not sign the charter which was offered by the Croatian Government, headed by its president Dr. Franjo Tudjman, at the Celje meeting and talks, it is cited that, as president of the Presidency of Slovenia, Milan Kucan did not have the authorization of this republic's Assembly.

Moreover, Milan Kucan did not want to sign the offered document—charter—since it is Slovenia's stand that above all and before such charters are signed independence and sovereignty must be achieved and only then can Slovenia, as an independent state, move toward reaching and signing such agreements.

Draft Croat Constitution Envisages New Order

*LD1912223590 Belgrade TANJUG in English
2211 GMT 19 Dec 90*

[Text] Zagreb, 19 Dec (TANJUG)—The commission for constitutional questions of the parliament of the Yugoslav Republic of Croatia this evening drafted a new republican constitution which envisages for Croatia to remain within Yugoslavia until the Yugoslav republics have reached a new agreement on the future system in the country.

The draft also gives the Croatian parliament's house of representatives the right to decide by a two-third majority vote on whether the republic should remain within the country or secede.

The republican House of Representatives can call a referendum on association with other Yugoslav republics or secession.

The draft constitution envisages for the Croatian parliament to have two chambers - a chamber of representatives and a chamber of counties.

A proposal to limit the right of the republican president to dissolve the house of representatives was not included in the draft.

The Croatian draft constitution will be submitted to parliament for discussion in two days' time and its promulgation has been announced for December 22.

Croatian Serbs Adopt Draft Statute on Autonomy

*LD1912224190 Belgrade TANJUG in English
2148 GMT 19 Dec 90*

[Text] Knin, 19 Dec (TANJUG)—The presidency of the Association of Municipalities in the Northern Dalmatia and Lika region in the Republic of Croatia, predominantly populated by Serbs, today adopted a draft statute on the autonomy of this region.

The draft, which is practically a request for the political autonomy of Serbs in Croatia, will be submitted for approval to the municipal authorities of Northern Dalmatia, Lika, Kordun and Banija—units which should constitute the future autonomous region.

The document sets out that the future region would have its own parliament and government.

Under the proposal, the president of the autonomous region should be Milan Babic, the current chairman of the interim presidency of the Association of Municipalities of Northern Dalmatia and Lika.

The Serbs, who a 1981 census showed to constitute 12.5 per cent of Croatia's population, say they feel threatened after the Croatian Democratic Union took over power in the republic.

They believe that their national and historic rights in Croatia are jeopardized by the Croatian new leadership's decisions and proposed republican constitution, which, they say, treats Serbs as second-class citizens.

Serbian Opposition Expects Victory in Runoff

*LD2012043890 Belgrade TANJUG in English
2243 GMT 19 Dec 90*

[Text] Novi Sad, 19 Dec (TANJUG)—The United Opposition in Yugoslavia's republic of Serbia expects to win the second round of parliamentary elections, scheduled for December 23.

At an election rally held today in Novi Sad, the capital of Serbia's province of Vojvodina, the opposition parties called on the electorate to vote for their candidates and thus 'ensure development of political pluralism and parliamentary democracy in the republic'.

Ninety-six seats of Serbia's 250-seat unicameral parliament were filled in the first round of elections, 87 of which by members of the ruling Socialist Party of Serbia (former League of Communists of Serbia).

The Socialists have 150 contenders in the runoff.

Their candidate Slobodan Milosevic won a convincing victory in the presidential election.

Kosovo Albanians' Rights Issue Discussed

*LD1912230690 Belgrade TANJUG in English
2023 GMT 19 Dec 90*

[Text] Belgrade, 19 Dec (TANJUG)—Protection of human rights of ethnic Albanians in Kosovo, a province within the Yugoslav Republic of Serbia, was the main topic of today's separate talks in Pristina by a European Parliament delegation with Serbian officials and ethnic Albanian opposition.

Serbia's Deputy Premier Momcilo Trajkovic told the delegation that the problem in Kosovo did not lie in the

violation of ethnic Albanians' rights, but in the aspiration of ethnic Albanian opposition to create in the territory of Yugoslavia another Albanian state which would subsequently be annexed to neighbouring Albania.

On the other hand, representatives of the leading opposition parties of Kosovo Albanians claimed that there was a close correlation between their position and Kosovo's current status in Yugoslavia, and insisted that Kosovo must be given the status of republic.

The opposition leaders refuted Kosovo's transformation into a republic was ultimately aimed at its secession from Yugoslavia. [as received]

Serbia, of which Kosovo is part, will not yield an inch of its territory, said Trajkovic.

He stressed, however, that Serbian authorities would do everything to make all Kosovo citizens, including ethnic Albanians, feel secure and equal; in its territory.

Trajkovic categorically denied rumours about an alleged dismissal of 40,000 Kosovo Albanians. They left their jobs of their own free will, he specified, under the influence of separatist leaders.

In substantiation of his claim that Kosovo Albanians are ignoring the Republic of Serbia, Trajkovic cited their boycott of the republic's first multi-party elections since World War Two, which were held on December 9. Kosovo Albanians could have filled 30 seats in the republican parliament, he added.

The European Parliament delegation leaves for Belgrade tomorrow, and is to return to Kosovo next February.

New Bosnia-Herzegovina Leaders Appointed

LD2012101790 Belgrade TANJUG Domestic Service in Serbo-Croatian 0834 GMT 20 Dec 90

[Text] Sarajevo, 20 Dec (TANJUG)—Alija Izetbegovic, leader of the Democratic Action Party [Stranka Demokratske Akcije—SDA] will be the new president of the Presidency of the Socialist Republic of Bosnia-Herzegovina; Momcilo Krajisnik, a deputy of the Serbian Democratic Party [Srpska Demokratska Stranka—SDS] is the new president of the republic's assembly; Jure Pelivan from the Croat Democratic Community [HDZ] is the new president of the Bosnia-Herzegovina Government; Avdo Campara, former public prosecutor and an SDA deputy, is the new general secretary of the republic's assembly. This was announced this morning at a joint press conference by the leaders of national parties. The press conference was held before today's session of the republic's Assembly in Sarajevo.

Abdulah Konjicija (SDA) is president of the Assembly's Chamber of Citizens; lawyer Petko Cancar (SDS) from Foca is president of the Chamber of Municipalities; Mariofil Ljubic (HDZ) from Siroki Brijeg is the republican Assembly's new vice president.

The composition of the future Bosnia-Herzegovina Government will be announced in 10 days time, it was said.

SDA Nominates Chairman for President of Bosnia

LD1912181490 Belgrade TANJUG Domestic Service in Serbo-Croatian 1140 GMT 19 Dec 90

[Excerpt] Sarajevo, 19 Dec (TANJUG)—The Executive Committee of the Main Committee of the Party of Democratic Action [Stranka Demokratske Akcije—SDA] has nominated its chairman Alija Izetbegovic as president of the Bosnia-Herzegovina Presidency.

This was stated today by SDA Vice President Muhamed Cengic when he refuted allegations that the future president of this republic could be Fikret Abdic who won the highest number of votes in Bosnia-Herzegovina elections. [passage omitted]

Government Will Adhere to Reform Process

LD1912184190 Belgrade TANJUG in English 1702 GMT 19 Dec 90

[Text] Belgrade, 19 Dec (TANJUG)—Yugoslav Vice-Premier Aleksandar Mitrovic confirmed today that the cabinet of Prime Minister Ante Markovic does not intend to change its concept of Yugoslavia's market oriented economic reform.

Mitrovic told a press conference in Belgrade that Yugoslavia's opening to the world and greater exports remain the essential goals of the federal government. The government assesses that exports, which now account for 20 percent of the social product, should be increased to 30-35 percent next year.

This means that the Yugoslav national currency will remain convertible and its rate of exchange stable, Mitrovic said, confirming that the rate of exchange of the dinar will remain tied to the German mark (at the beginning of the year, when the reform was first launched, the rate of exchange of the dinar was fixed at seven dinars for one German mark).

Mitrovic expressed the government's determination not to allow the monetary framework to expand over the sum permitted by the social product, since such an overflow would automatically cause inflation to spiral again.

Since the beginning of the implementation of the government measures, inflation in Yugoslavia dropped from almost 3000 to 118 percent,

Mitrovic also told reporters that the inflow of foreign capital was slowed down because of the unstable internal political situation, and that the price of Yugoslavia's debts on the world market have dropped from 67 to 52 cents to the dollar.

Mitrovic expressed hope that the completion of the multi-party elections in all Yugoslav republics and at the

federal level would lead to a settling of the situation and stimulate the inflow of foreign capital, primarily through joint investments.

According to the figures he presented, over two billion German marks have been invested in Yugoslavia through joint investment projects since the beginning of the implementation of the reform.

The Yugoslav vice premier said that it has been assessed that about 90,000 employees of socially-owned firms would lose their jobs by the end of the year in Yugoslavia as a result of the transition to a market economy.

It is also estimated, however, that the expanding private sector will very soon take over these unemployed Yugoslavs, Mitrovic told the press conference in Belgrade today.

Bankers Support Government Macroeconomic Program

*LD1912225690 Belgrade TANJUG in English
2032 GMT 19 Dec 90*

[Text] Belgrade, 19 Dec (TANJUG)—Officials of Yugoslavia's major banks today upheld the federal government's macro-economic policy measures recently proposed for next year.

Federal Prime Minister Ante Markovic met with the bankers today and with them agreed on general actions conducive to the banks' financial consolidation, which should be initiated by the end of the current year.

Markovic said that the forthcoming restructuring of the banks would "relieve them of bad loans given earlier and protect them from throwing good money after bad."

The federation and the National Bank of Yugoslavia (Central Bank) will support the programme and apply all other measures to enable the functioning of money and capital markets, Prime Minister Markovic said.

The Yugoslav Government announced the opening of a process of healing the Yugoslav banking at a press conference yesterday.

According to a 1989 audit, the Yugoslav banks have losses and dubious assets to the tune of 144 billion dinars (seven dinars to one German mark), it was heard at the press conference.

Jovo Kunac, executive director for the Federal Agency for Rehabilitation of Banks, said that (?helping) some thirty banks in the next five years would soak up 96 billion dinars, 68 billion dinars of which will be obtained through selling government bonds.

In this context, the Association of Yugoslav Banks yesterday issued a statement to the effect that the Central Bank would in the future be selling hard currency only to solvent domestic banks.

It was also heard that only six of the 34 banks appearing on the hard currency market can expect to be allowed to buy hard currency.

The other banks can buy hard currency only to meet their obligations to foreign creditors.

Secretary Loncar Attends EC Meeting in Brussels

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For reportage on the visit by Federal Secretary for Foreign Affairs Budimir Loncar to Brussels, including reports on his participation in the ninth regular session of the Council for EC-Yugoslav Cooperation, please see the International Affairs section of the 19 December West Europe DAILY REPORT and subsequent issues.